

**ULUNDI MUNICIPALITY**

**BUDGET ADJUSTMENT FOR THE FINANCIAL YEAR 2014/2015**

**Part 1**

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1. Mayor's report

**TABLING OF BUDGET ADJUSTMENT FOR 2014/2015**

**BY HER WORSHIP THE MAYOR OF ULUNDI, CLLR N.J. MANANA. AT THE COUNCIL CHAMBER OF THE ULUNDI MUNICIPAL COUNCIL ON 26 FEBRUARY 2015**

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**MAYORAL REPORT ON ADJUSTMENT BUDGET**

Honourable Speaker, Chief Whip, Deputy Mayor, Honourable Councillors, and Representatives from Provincial Treasury, Municipal Manager, Municipal Executive Directors, Senior Managers and Officials I greet you all.

I extend warm greetings on this day of 26 February 2015. Honourable Speaker, I am standing on this platform again in compliance with Section 28 of the Municipal Finance Management Act the excerpts of which are as follows:

**Municipal adjustments budgets**

1. A municipality may revise an approved annual budget through an adjustments budget.
2. An adjustment budget–
  - a. Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
  - b. May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
  - c. May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
  - d. May authorise the utilisation of projected savings in one vote towards spending under another vote;

- e. May authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected rollovers when the annual budget for the current year was approved by the council;
- f. May correct any errors in the annual budget; and
- g. May provide for any other expenditure within a prescribed framework.

3. An adjustments budget must be in a prescribed format.

Allow me again to remind you that on the 19<sup>th</sup> of January 2015 a Mid-year Assessment Report on current Budget as well as Performance as a whole in terms of Section 72 of the Municipal Finance Management Act was tabled. In that Council sitting one of the resolutions taken was that an Accounting Officer of this Municipality be mandated to prepare an Adjustment Budget since the movements within the current Budget for 2014/2015 brought that necessity.

Honourable Speaker and Councillors, there had been multiple problems related to under-collection on Electricity Revenue because of electricity theft and tempering. A combination of all these challenges made this Municipality land into an undesirable situation where Electricity Service, which must yield profit since it is a trading service, was finally funded by Equitable Share Grant and that had an impact on Budgets of the following years. For example for the past three years this Ulundi Municipality had been carrying Eskom liability amounting to almost R10m, to the following financial year and that debt had to be settled by part of Equitable Share allocation for that particular year meaning that a deficit of R10m was already incurred right in the beginning of the financial year. This subsequently triggered an unauthorised expenditure which is an Audit query.

Honourable Speaker and Councillors I deliberately outlined this background so that all of us in this chamber have a clear understanding of where we are coming from. Broadly speaking, Honourable Speaker, I can say it with confidence that Ulundi Municipality is in a recovery stage. In September 2012 a resolution was taken by this Council to establish Cash Flow Management Committee after adoption and approval of Cash Management

Policy. This Committee, which is chaired by the Municipal Manager, was mandated by Council to scrutinise line by line any expenditure item before actual cash is withdrawn from the Council's coffers.

I wish to emphasise that, that initiative started bearing fruits as early as November 2012 where a considerable drop in expenditure on Subsistence and Transport (S&T) and overtime was realised.

Honourable Speaker, the abovementioned step forward took us to another positive direction where on 29 May 2013 this Council resolved to introduce a Business Unit concept in Protection Services and Electrical Services. That resolution was taken together with the approval of the Final Budget for 2013/2014 which is the current year. From July 2013 this Municipality has been able to honour its obligations in time including arrangements made with Eskom in order to service the debt. It is comforting though to note that Ulundi Municipality is making progress in honouring the Eskom debt since by September 2014 the debt had already climbed to R62 044 044.40 but currently as we speak the debt is not sitting at R50 228 250.37 which indicates a decrease of R11 000 000.00. Since we are now half way with our current budget allow me to briefly outline the status quo in compliance with Section 72(1) (a) of the Municipal Finance Management Act.

As outlined in table B4 which is Financial Performance in Revenue and Expenditure I would like to refer to the following items which are for the consumption of this house. Also this municipality has considered provincial treasury Mid-year comments when finalising this Adjustment Budget.



Ref	Description	Original budget	Adjusted budget	Variance
	R thousands			
1	Revenue by source Property rates:	R47 766 857	R52 437 000	R4 767 142.98
2	Service charges-electricity revenue	R72 969 304.21	R77 596 623.24	R4 627 319.03
3	Refuse charges	R6 415 651.83	R5 890 342.18	(R525 309.65)
4	Employee related cost Budgeted: R80 075m Expenditure to date: R380413m	R80 075 000	R 89,873 000	R9,798 000

It was noticed that there was under budgeting for promotions as a result of post evaluation by Evaluation Committee and also creation of a new division within Protection Services (VIP Protection Unit)

5	Bank charges	R150 000	R160 000	R10 000
6	Electricity Bulk Purchases	R58 471 688	R58 471 688	Nil

It must be noted that in this Item (Electricity bulk purchase) it was not necessary to effect adjustment since when the budget for this current year was compiled the payment arrangement with Eskom was also taken into consideration.

Honourable Speaker and Councillors, I wish to confirm further to you that as one of the State Entities we are also being monitored by other structures of National and Provincial Government in terms of the Municipal Finance Management Act. On that note, KZN Provincial Treasury had submitted comments in response to a 2014/2015 Mid-Year Budget Performance Assessment Report that was tabled on the 19<sup>th</sup> February 2015 and those comments have been taken into consideration when finalizing the Adjustment Budget. I would like to extend sincere thanks and appreciation to the MEC for KZN, Provincial Treasury for deploying her Senior Officials to give necessary support specifically to Ulundi Municipality.

In conclusion, Honourable Speaker and Colleagues I wish to mention that after effecting all necessary adjustments in the 2014/2015 budget the total budget changed from the original R248 427 000.00 to R259 897 000.00.

With those words I wish to thank all of you for this opportunity. May the Almighty Lord, bless you abundantly.

Ref	Descrption	Original budget	Adjusted budget	Variance	Reasons
1	R thousands Revenue by source Property rates:	R49 647 095.81	R53 509 892.47	R4 767 142.98	The was an increase in commercial rates that why the was a increase in rates billing
2	Service charges - electricity revenue	R72 969 304.21	R77 596 623.24	R 4 627 319.03	The 2 <sup>nd</sup> phase of back billing will be implemented and it will give us an income of R2m. As per year to date collections we will be able to collect R2.6m above original budget.

4	Refuse charges	R6 415 651.83	R5 890 342.18	(R 525 309.65)	Under collection as per year to date collections and increased number of indigent will make us not meet the targeted budget.
5	Employee related cost	R77 918 000.00	R86 671 000.00	R8 753 000.00	Increase during the year in contributions to medical aids, Pay as you earn, pension fund and creation of a new senior positions
	Budgeted: R64,997m				
	Expenditure to date: R36,380m				
6	Bulk electricity purchase	R58 471 687.61	R58 471 687.61	R0.00	There is no change in the budget as the municipal tariffs used to calculate projections is same as

NERSA tariffs.

7 General expenses R94 554 000.00 R96 335 000.00 R1 780 000.00 KZN266 Ulundi - Table B4  
Adjustments Budget Financial  
Performance (revenue and  
expenditure) - 26/02/2015

Description	Ref	Budget Year 2014/15										Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
<b>Revenue By Source</b>													
Property rates	2	47,766	-	-	-	-	-	4,767	4,767	52,533	48,466	51,131	
Property rates - penalties & collection charges		904							-	904			
Service charges - electricity revenue	2	72,969	-	-	-	-	-	4,627	4,627	77,597	77,274	81,525	
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	2	6,416	-	-	-	-	-	(525)	(525)	5,890	6,794	7,168	
Service charges - other									-	-	-	-	
Rental of facilities and equipment		600						51	51	651	635	670	

Interest earned - external investments		250						250	250	500	255	279
Interest earned - outstanding debtors								-	-	-	-	-
Dividends received								-	-	-	-	-
Fines		3,405						-	-	3,405	3,606	3,804
Licences and permits		2,547						-	-	2,547	2,547	2,687
Agency services								-	-	-	-	-
Transfers recognised - operating		106,030						-	-	106,030	112,286	118,461
Other revenue	2	3,103	-	-	-	-	-	-	-	3,103	3,286	3,466
Gains on disposal of PPE		4,436						2,300	2,300	6,736		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>248,427</b>	-	-	-	-	-	<b>11,470</b>	<b>11,470</b>	<b>259,897</b>	<b>255,159</b>	<b>269,193</b>
<b>Expenditure By Type</b>												
Employee related costs		80,075	-	-	-	-	-	9,922	9,922	89,996	84,799	89,463
Remuneration of councillors		13,239						-	-	13,239	14,020	14,791
Debt impairment		6,903						-	-	6,903	7,310	7,712
Depreciation & asset impairment		70,089	-	-	-	-	-	-	-	70,089	74,224	78,306
Finance charges		150						10	10	160	159	168
Bulk purchases		58,472	-	-	-	-	-	-	-	58,472	61,922	65,327
Other materials		85						-	-	85	89	94
Contracted services		70,608	-	-	-	-	-	-	-	70,608	74,773	78,886
Transfers and grants								-	-	-	52,466	55,373
Other expenditure		49,562	-	-	-	-	-	(29,954)	-	19,608	-	-

Loss on disposal of PPE										(29,954)	-	-		
Total Expenditure		349,181	-	-	-	-	-	-	-	(20,022)	(20,022)	329,159	369,782	390,120
Surplus/(Deficit)		(100,754)	-	-	-	-	-	-	-	31,492	31,492	(69,262)	(114,623)	(120,928)
Transfers recognised - capital												-	40,216	40,432
Contributions												-		
Contributed assets												-		
Surplus/(Deficit) before taxation		(100,754)	-	-	-	-	-	-	-	31,492	31,492	(69,262)	(74,407)	(80,496)
Taxation												-		
Surplus/(Deficit) after taxation		(100,754)	-	-	-	-	-	-	-	31,492	31,492	(69,262)	(74,407)	(80,496)
Attributable to minorities												-		
Surplus/(Deficit) attributable to municipality		(100,754)	-	-	-	-	-	-	-	31,492	31,492	(69,262)	(74,407)	(80,496)
Share of surplus/ (deficit) of associate												-		
Surplus/ (Deficit) for the year		(100,754)	-	-	-	-	-	-	-	31,492	31,492	(69,262)	(74,407)	(80,496)

## Capital expenditure

We have been able to accelerate service delivery through grant expenditure as we have been able to spend 77% of the budgeted capital expenditure for the current financial year; this comprises 56% expenditure from DOE & 81% expenditure from MIG. There was a provision on provincial allocation for Disaster Management Grant of R1m which was gazetted on provincial gazette. It was received in December 2014. We have moved the costing of capital budget by splitting it into different projects, previous it was allocated to roads.

KZN266 Ulundi - Table B5 Adjustments Capital  
Expenditure Budget by vote and funding -  
26/02/2015

Description	Ref	Budget Year										
		2014/15	+1 2015/16	+2 2016/17								
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - GOVERNMENT & ADMINISTRATION		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Community & Public Safety		-	-	-	-	-	-	12,954	12,954	12,954	-	-
Vote 3 - Economic & Environmental Services		29,610	-	-	-	-	-	(11,954)	(11,954)	17,656	-	-
Vote 4 - Trading Services		5,000	-	-	-	-	-	-	-	5,000	-	-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-	-



[illegible]

[illegible]



## MUNICIPAL CASH FLOW SITUATION

The municipal cash flow situation has improved for the past seven months; this is as a result of the following resolutions that were taken by council:

- To develop a cash flow management committee which approves or disapproves all major payments before they are processed for payment
- Every item that needs to be purchased go through this committee for approval.

KZN266 Ulundi - Table B7 Adjustments Budget Cash Flows - 26/02/2015

Description	Ref	Budget Year 2014/15										Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
CASH FLOW FROM OPERATING ACTIVITIES													
Receipts													
Ratepayers and other		82,186						83,707	83,707	165,893	82,186	86,707	
Government - operating	1	106,030						(610)	-	106,030	112,286	118,461	
Government - capital	1	34,610					1,000	250	390	35,000	40,216	40,432	
Interest		250						250	250	500	265	279	
Dividends									-	-	-	-	
Payments													
Suppliers and employees		(265,956)						(11,579)	(11,579)	(277,535)	(280,648)	(296,084)	
Finance charges		(150)						(10)	(10)	(160)	(159)	(168)	
Transfers and Grants	1								-	-	-	-	
NET CASH FROM/(USED) OPERATING ACTIVITIES		(43,030)	-	-	-	-	1,000	71,758	72,758	29,728	(45,854)	(50,372)	
CASH FLOWS FROM INVESTING ACTIVITIES													

Receipts Proceeds on disposal of PPE Decrease (increase) in non-current debtors Decrease (increase) other non-current receivables Decrease (increase) in non-current investments Payments Capital assets		4,436																		
		(34,610)																		
NET CASH FROM/(USED) INVESTING ACTIVITIES		(30,174)	-	-	-	-	1,000	1,690	2,690	(27,484)	(40,216)	(40,432)								
CASH FLOWS FROM FINANCING ACTIVITIES Receipts Short term loans Borrowing long term/refinancing Increase (decrease) in consumer deposits Payments Repayment of borrowing																				
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-	-							
NET INCREASE/ (DECREASE) IN CASH HELD Cash/cash equivalents at the year begin: Cash/cash equivalents at the year end:	2	(73,203) (170,194)	-	-	-	-	2,000	73,448	75,448 179,511	2,245 9,317	(86,070) 10,089	(90,804) 12,138								
	2	(243,397)	-	-	-	-	2,000	73,448	2,362	11,561	(75,981)	(78,665)								

References

## **2. COUNCIL RESOLUTIONS**

**EXTRACT**

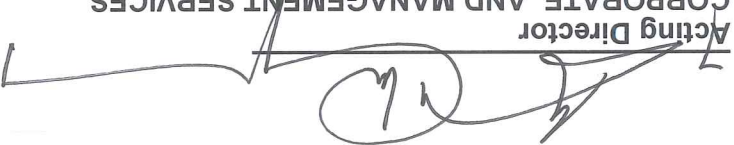
FROM THE MINUTES OF THE 2014/2015 SPECIAL MEETING OF ULUNDI MUNICIPAL COUNCIL IN ACCORDANCE WITH SECTION 29(1) READ WITH SECTION 18(2) OF THE LOCAL GOVERNMENT MUNICIPAL STRUCTURES ACT NO. 117 OF 1998, HELD IN THE COUNCIL CHAMBER, ULUNDI CIVIC CENTRE AT BA 81, PRINCE MANGOSUTHU STREET ON THURSDAY, 26 FEBRUARY 2015 AT 14H00

A1. **APPROVAL OF MEDIUM TERM REVENUE AND EXPENDITURE**  
**BUDGET ADJUSTMENT FOR 2014/2015 FINANCIAL YEAR**  
5/1/1

**RESOLVED:-**

1. **THAT** the 2014/2015 Medium Term Revenue and Expenditure Adjustment Budget for the financial year 2014/2015 and two outer years 2015/2016 and 2016/2017 be approved.
2. **THAT** the Adjustment Budget be implemented with immediate effect.
3. **THAT** the Accounting Officer put control measures to prevent unauthorised expenditure.

**CERTIFIED A TRUE COPY**

  
Acting Director  
CORPORATE AND MANAGEMENT SERVICES

ULUNDI  
03-03-2015

### 3. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financial viable and that municipal services are provided sustainably, economically and equitable to all communities.

The municipality's business and service delivery priorities were received as part of this year's planning and budget process. Where appropriate, funds were transferred from low to high priority programmes as to maintain sound financial stewardship. Nice to have items were also eliminated from the budget, the municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of the debt owed by customers. Furthermore the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of people lead government.

Below is a table showing a consolidated overview of the adjustment budget for 2013/2014:

DETAILS	ORIGINAL BUDGET 2014/2015	ADJUSTED BUDGET 2014/2015
TOTAL OPERATING REVENUE	R248 427 000.00	R259 897 000.00
TOTAL OPERATING EXPENDITURE	R349 181 000.00	R229 159 000.00
(SURPLUS)/DEFICIT FOR THE YEAR	-R100 754 000.00	-R69 262 000.00
TOTAL CAPITAL EXPENDITURE	R34 610 000.00	R35 000 000.00



#### **4. ADJUSTMENTS BUDGET TABLES**

The Adjustment Budget Tables are attached.

# Municipal adjustments budgets & supporting tables

Version 2.6

[Click for Instructions!](#)

**Accountability**

**Transparency**

**Information &  
service delivery**



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

#### **Contact details:**

Technical enquiries to the MFMA Helpline at:  
[mfma@treasury.gov.za](mailto:mfma@treasury.gov.za)

Data submission enquiries:

Elisabé Rossouw

National Treasury

Tel: (012) 315-5534

Electronic documents: [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za)

Queries on formats: [lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za)

<b>Preparation Instructions</b>	
<b>Municipality Name:</b> KZN266 Umdloti	<b>CFO Name:</b> Mr J H Mhlongo
<b>Tel:</b> 035-874 5102	<b>Fax:</b> 035-874 5174
<b>E-Mail:</b> jmhlongo@ulundi.gov.za	
<b>Date of Adjustments Budget</b> 26/02/2015	<b>MTRREF:</b> 2014
<b>Does this municipality have Entities?</b> No	<b>If YES: Identify type of report:</b> Parent Municipality
<b>Name Votes &amp; Sub-Votes</b>	
<b>Printing Instructions</b>	
<b>Showing / Hiding Columns</b>	
Hide Reference columns on all sheets	
Hide Pre-audit columns on all sheets	
<b>Showing / Clearing Highlights</b>	
Clear Highlights on all sheets	
<b>MFMA Budget Circulars</b> Click to view	<b>MFMA Return Forms</b> Click to view
<b>MBRR Budget Formats Guide</b> Click to view	<b>Funding Compliance Guide</b> Click to view
<b>Dummy Budget Guide</b> Click to view	<b>Important documents which provide essential assistance</b>



KZN266 Ulundi - Contact Information									
A. GENERAL INFORMATION									
Municipality									
KZN 266 Ulundi									
Grade									
1 Grade in terms of the Remuneration of Public Office Bearers Act									
Province									
KZN									
Web Address									
www.ulundi.gov.za									
e-mail Address									
ulundi@ulundi.gov.za									
B. CONTACT INFORMATION									
Postal address:									
Private Bag X 17									
City / Town									
Ulundi									
Postal Code									
3838									
Street address									
Ulundi Municipality									
Building									
Corner King Zwelithini & Princess Magogo St.									
City / Town									
Ulundi									
Postal Code									
3838									
General Contacts									
Telephone number									
035-8745100									
Fax number									
035-874 5174									
C. POLITICAL LEADERSHIP									
Speaker:									
Name									
H J Mambo									
Telephone number									
035-8745101									
Cell number									
837,770,071									
Fax number									
358745125									
E-mail address									
chmiambo@ulundi.gov.za									
Mayor/Executive Mayor:									
Name									
N J Manana									
Telephone number									
358,745,100									
Cell number									
83963102									
Fax number									
358,701,105									
E-mail address									
nsikhakhane@ulundi.gov.za									
Deputy Mayor/Executive Mayor:									
Name									
W M Nkhangase									
Telephone number									
358,745,100									
Cell number									
734,707,095									
Fax number									
358,701,106									
E-mail address									
wmnkhangase@ulundi.gov.za									
D. MANAGEMENT LEADERSHIP									
Municipal Manager:									
Name									
Princess S A Buthelezi									
Telephone number									
358745100									
Cell number									
827247298									
Fax number									
35,701,104									
E-mail address									
sabuthlezi@ulundi.gov.za									
Chief Financial Officer									
Name									
Mr J H Mthongo									
Telephone number									
035-874 5102									
Cell number									
073 472 1934									
Fax number									
035-874 5174									
E-mail address									
jhmthongo@ulundi.gov.za									
Official responsible for submitting financial information									
Name									
Nsukuza Mahlaba									
Telephone number									
035-874 5140									
Cell number									
084-661 5051									
Fax number									
035-874 5174									
E-mail address									
nmahlaba@ulundi.gov.za									

Set name on 'Instructions' sheet

Official responsible for submitting financial information	
Name	Hlangwe Ndlela
Telephone number	0358745140
Cell number	833,759,103
Fax number	035 874 5174
E-mail address	hndlela@ulundl.gov.za
Official responsible for submitting financial information	
Name	
Telephone number	
Cell number	
Fax number	
E-mail address	



[illegible]

## References

2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in the Adjustments Budget/Financial Performance (revenue and expenditure)
3. Total Operating Expenditure by standard classification must reconcile to Total Operating Expenditure shown in the Adjustments Budget/Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes.
5. Nothing else may be placed under to relevant classification
6. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
7. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
8. Adjustments approved in accordance with MFMA section 29
9. Adjustments to transfers from National or Provincial Government
10. Adjusts: = Other adjustments proposed to be approved, including revenue under collection (MFMA section 28(2)(a)), additional revenue appropriation on existing programmes (section 28(2)(b)), projected savings (section 28(2)(d)), error correction (section 28(2)(f))
11. G = B + C + D + E + F
12. Adjusted Budget H = (A or A/12 etc) + G

12. Adjusted Budget  $H = (A \text{ or } A/2 \text{ etc}) + G$

$$11.6 = B + C + D + E + F$$

(b)(7)(C), (b)(7)(D)

to: Adjusts: - Other Adjustments proposed to be approved, including:

*(continued from page 6)*

Adjustments to transfers from National or Provincial Govt

3. Adjustments approved in accordance with the provisions of the law.

7. Increases of funds approved under MFMA section 31

(reasonably have been foreseen)

5. Additional cash-backed accumulated funds/unspent funds (MfMA section 78(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not

5. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

Nothing else may be placed under "Other." Assign associate share to relevant classification

4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supplied.

3. Total Operating Expenditure by standard classification must reconcile to Total Operating Expenditure shown in the Adjustments Budget Financial Performance (revenue and

2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in the Adjustments Budget-Financial Performance (Revenue and Expenditure



Standard Classification Description		Ref	Budget Year 2014/15													Budget Year +2016/17	
		1	A	5	A1	B	6	7	C	D	E	F	G	H	Adjusted Budget	Adjusted Budget	
Revenue - Standard																	
Municipal governance and administration			154,860	-	-	-	-	-	-	-	-	4,917	4,917	159,576	163,785	172,793	
Executive and council			9,439	-	-	-	-	-	-	-	-	-	-	9,439	9,966	10,546	
Mayor and Council			8,455	-	-	-	-	-	-	-	-	-	-	8,455	8,954	9,446	
Municipal Manager			984	-	-	-	-	-	-	-	-	-	-	984	1,099	1,099	
Budget and treasury office			144,190	-	-	-	-	-	-	-	-	5,017	5,017	149,207	152,697	161,095	
Corporate services			1,031	-	-	-	-	-	-	-	-	(101)	(101)	930	1,092	1,152	
Human Resources			1,031	-	-	-	-	-	-	-	-	(101)	(101)	930	1,092	1,152	
Information Technology																	
Property Services																	
Other Admin												(101)	(101)				
Community and public safety			7,123	-	-	-	-	-	-	-	-	1,000	1,000	8,123	7,544	7,958	
Community and social services			1,021	-	-	-	-	-	-	-	-			1,021	1,082	1,141	
Libraries and Archives			910	-	-	-	-	-	-	-	-			910	964	1,017	
Museums & Art Galleries etc																	
Community halls and Facilities																	
Cemeteries & Crematoriums																	
Child Care																	
Aged Care																	
Other Community																	
Other Social			111											111	118	124	
Sport and recreation			150											150	159	168	
Public safety			5,952	-	-	-	-	-	-	-	-	1,000	1,000	6,952	6,303	6,650	
Police																	
Fire																	
Civil Defence																	
Street Lighting																	
Other			5,952									1,000	1,000	6,952	6,303	6,650	
Housing																	
Health																	
Clinics																	
Ambulance																	
Other																	
Economic and environmental services			33,926	-	-	-	-	-	-	-	-	2,486	2,486	36,412	30,796	32,489	
Planning and development			4,846	-	-	-	-	-	-	-	-	2,486	2,486	7,332	-	-	
Economic			4,846	-	-	-	-	-	-	-	-	2,486	2,486	7,332	-	-	
Town Planning/Building																	
Licensing & Regulation																	
Road transport			29,080	-	-	-	-	-	-	-	-	-	-	29,080	30,796	32,489	
Roads																	
Public Buses																	
Parking Garages																	
Vehicle Licensing and Testing																	
Other																	
Environmental protection																	
Pollution Control																	
Biodiversity & Landscape																	
Other																	
Trading services			85,327	-	-	-	-	-	-	-	-	4,627	4,627	89,954	90,361	95,331	
Electricity			78,911	-	-	-	-	-	-	-	-	4,627	4,627	83,538	83,567	88,163	
Electricity Distribution																	
Electricity Generation			78,911	-	-	-	-	-	-	-	-	4,627	4,627	83,538	83,567	88,163	
Water																	
Water Distribution																	
Water Storage																	
Waste water management																	
Sewerage																	
Storm Water Management																	
Public Toilets																	
Waste management			6,416	-	-	-	-	-	-	-	-	-	-	6,416	6,794	7,168	
Solid Waste																	
Other																	
Air Transport																	
Abattoirs																	
Tourism																	
Forestry																	
Markets																	
Total Revenue - Standard		2	281,036	-	-	-	-	-	-	-	-	1,000	12,030	13,030	294,066	292,485	308,571
Expenditure - Standard			152,753	-	-	-	-	-	-	-	-	-	-	(1,495)	(1,495)	151,268	161,776
Municipal governance and administration			32,202	-	-	-	-	-	-	-	-	-	-	21	21	32,223	34,102
Executive and council																	
Mayor and Council			20,730	-	-	-	-	-	-	-	-	(1,338)	(1,338)	19,391	21,963	23,160	

[illegible]





Vote 8 - [NAME OF VOTE 8]  
8.1 - [Name of sub-vote]

Vote 9 - (NAME OF VOTE 9)  
9.1 - (Name of sub-vote)

Vote 10 - [NAME OF VOTE 10]  
10.1 - [Name of sub-vote]

Vote 11 - [NAME OF VOTE 11]  
11.1 - [Name of sub-vote]

Vote 12 - [NAME OF VOTE 12]  
12.1 - [Name of sub-vote]

Vote 13 - [NAME OF VOTE 13]  
13.1 - [Name of sub-vote]

Vote 14 - [NAME OF VOTE 14]  
14.1 - [Name of sub-vote]



Vote 7 - [NAME OF VOTE 7]  
7.1 - [Name of sub-vote]

Vote 8 - [NAME OF VOTE 8]  
8.1 - [Name of sub-vote]

Vote 9 - [NAME OF VOTE 9]  
9.1 - [Name of sub-vote]

Vote 10 - [NAME OF VOTE 10]  
10.1 - [Name of sub-vote]

Vote 11 - [NAME OF VOTE 11]  
11.1 - [Name of sub-vote]

Vote 12 - [NAME OF VOTE 12]  
12.1 - [Name of sub-vote]

Vote 13 - {NAME OF VOTE 13}





[illegible]

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SB1

3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

4. Additional cash-backed accumulated funds/unsponsored funds (MFA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)

5. Increases of funds approved under MFMA section 31

6. Adjustments approved in accordance with MFMA section 29

7. Adjustments to transfers from National or Provincial Government

8. Adjusts: = 'Other' Adjustments proposed to be approved, including revenue under collection (MFFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))

$$9. G = B + C + D + E + F$$

10. Adjusted Budget  $H = (A \text{ or } A1/2 \text{ etc}) + G$

Ref	Description	R thousands										
		A Original Budget	A1 Prior Adjusted Funds	B Accum. Funds	C Multi-year capital	D Unfore. Unavoid.	E Nat or Prov. Govt.	F Other Adjusts.	G Total Adjusts.	H Adjusted Budget	Adjusted Budget	Budget Year +2016/17
2	Multi-year expenditure to be adjusted	-	-	-	-	-	-	-	-	-	-	
	Vote 1 - GOVERNMENT & ADMINISTRATION	-	-	-	-	-	-	-	-	-	-	
	Vote 2 - Community & Public Safety	-	-	-	-	-	-	-	-	-	-	
	Vote 3 - Economic & Environmental Services	-	-	-	-	-	-	-	-	-	-	
	Vote 4 - Trading Services	-	-	-	-	-	-	-	-	-	-	
	Vote 5 - (NAME OF VOTE 5)	-	-	-	-	-	-	-	-	-	-	
	Vote 6 - (NAME OF VOTE 6)	-	-	-	-	-	-	-	-	-	-	
	Vote 7 - (NAME OF VOTE 7)	-	-	-	-	-	-	-	-	-	-	
	Vote 8 - (NAME OF VOTE 8)	-	-	-	-	-	-	-	-	-	-	
	Vote 9 - (NAME OF VOTE 9)	-	-	-	-	-	-	-	-	-	-	
3	Capital multi-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-	
	Vote 10 - (NAME OF VOTE 10)	-	-	-	-	-	-	-	-	-	-	
	Vote 11 - (NAME OF VOTE 11)	-	-	-	-	-	-	-	-	-	-	
	Vote 12 - (NAME OF VOTE 12)	-	-	-	-	-	-	-	-	-	-	
	Vote 13 - (NAME OF VOTE 13)	-	-	-	-	-	-	-	-	-	-	
	Vote 14 - (NAME OF VOTE 14)	-	-	-	-	-	-	-	-	-	-	
	Vote 15 - (NAME OF VOTE 15)	-	-	-	-	-	-	-	-	-	-	
	34,610	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	
	2	Single-year expenditure to be adjusted	-	-	-	-	-	-	-	-	-	-
Vote 1 - GOVERNMENT & ADMINISTRATION		-	-	-	-	-	-	-	-	-	-	
Vote 2 - Community & Public Safety		-	-	-	-	-	-	-	-	-	-	
Vote 3 - Economic & Environmental Services		-	-	-	-	-	-	-	-	-	-	
Vote 4 - Trading Services		-	-	-	-	-	-	-	-	-	-	
Vote 5 - (NAME OF VOTE 5)		-	-	-	-	-	-	-	-	-	-	
Vote 6 - (NAME OF VOTE 6)		-	-	-	-	-	-	-	-	-	-	
Vote 7 - (NAME OF VOTE 7)		-	-	-	-	-	-	-	-	-	-	
Vote 8 - (NAME OF VOTE 8)		-	-	-	-	-	-	-	-	-	-	
Vote 9 - (NAME OF VOTE 9)		-	-	-	-	-	-	-	-	-	-	
3	Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-	
	Vote 10 - (NAME OF VOTE 10)	-	-	-	-	-	-	-	-	-	-	
	Vote 11 - (NAME OF VOTE 11)	-	-	-	-	-	-	-	-	-	-	
	Vote 12 - (NAME OF VOTE 12)	-	-	-	-	-	-	-	-	-	-	
	Vote 13 - (NAME OF VOTE 13)	-	-	-	-	-	-	-	-	-	-	
	Vote 14 - (NAME OF VOTE 14)	-	-	-	-	-	-	-	-	-	-	
	Vote 15 - (NAME OF VOTE 15)	-	-	-	-	-	-	-	-	-	-	
	34,610	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	
	4	Total Capital Expenditure - Vote	-	-	-	-	-	-	-	-	-	-
Vote 15 - (NAME OF VOTE 15)		-	-	-	-	-	-	-	-	-	-	
Vote 14 - (NAME OF VOTE 14)		-	-	-	-	-	-	-	-	-	-	
Vote 13 - (NAME OF VOTE 13)		-	-	-	-	-	-	-	-	-	-	
Vote 12 - (NAME OF VOTE 12)		-	-	-	-	-	-	-	-	-	-	
Vote 11 - (NAME OF VOTE 11)		-	-	-	-	-	-	-	-	-	-	
Vote 10 - (NAME OF VOTE 10)		-	-	-	-	-	-	-	-	-	-	
Vote 9 - (NAME OF VOTE 9)		-	-	-	-	-	-	-	-	-	-	
Vote 8 - (NAME OF VOTE 8)		-	-	-	-	-	-	-	-	-	-	
Vote 7 - (NAME OF VOTE 7)		-	-	-	-	-	-	-	-	-	-	
3	Total Capital Expenditure - Standard	-	-	-	-	-	-	-	-	-	-	
	Governance and administration	-	-	-	-	-	-	-	-	-	-	
	Executive and council	-	-	-	-	-	-	-	-	-	-	
	Budget and treasury office	-	-	-	-	-	-	-	-	-	-	
	Corporate services	-	-	-	-	-	-	-	-	-	-	
	Community and social services	-	-	-	-	-	-	-	-	-	-	
	Sport and recreation	-	-	-	-	-	-	-	-	-	-	
	Public safety	-	-	-	-	-	-	-	-	-	-	
	Housing	-	-	-	-	-	-	-	-	-	-	
	Health	-	-	-	-	-	-	-	-	-	-	
3	Economic and environmental services	29,610	-	-	-	-	-	-	-	-	-	
	Planning and development	29,610	-	-	-	-	-	-	-	-	-	
	Road transport	29,610	-	-	-	-	-	-	-	-	-	
	Environmental protection	5,000	-	-	-	-	-	-	-	-	-	
	Trading services	5,000	-	-	-	-	-	-	-	-	-	
	Electricity	5,000	-	-	-	-	-	-	-	-	-	
	Water	-	-	-	-	-	-	-	-	-	-	
	Waste water management	-	-	-	-	-	-	-	-	-	-	
	Waste management	-	-	-	-	-	-	-	-	-	-	
	Other	-	-	-	-	-	-	-	-	-	-	
4	Total Capital Expenditure - Standard	34,610	-	-	-	-	-	-	-	-	-	
	Funded by:	34,000	-	-	-	-	-	-	-	-	-	
	National Government	-	-	-	-	-	-	-	-	-	-	
	Provincial Government	-	-	-	-	-	-	-	-	-	-	
	District Municipality	-	-	-	-	-	-	-	-	-	-	
	Other transfers and grants	-	-	-	-	-	-	-	-	-	-	
	Total Capital transfers recognised	34,000	-	-	-	-	-	-	-	-	-	
	Public contributions & donations	-	-	-	-	-	-	-	-	-	-	
	Borrowing	610	-	-	-	-	-	-	-	-	-	
	Internally generated funds	34,610	-	-	-	-	-	-	-	-	-	
Total Capital Funding	Total Capital Funding	34,610	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
	390	390	390	390	390	390	390	390	390	390	390	
390	390	390	390	390	390	390	390	390	390	390		

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year.

3. Capital expenditure by standard classification must reconcile to the appropriations by vote.

4. Must reconcile to supporting table SB7 and to Adjustments Budget Financial Performance (Revenue and Expenditure).

5. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

6. Additional cash-backed accumulated funds/unspent funds (MFMMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not).

7. Increases of funds approved under MFMMA section 31.

8. Adjustments approved in accordance with MFMMA section 29.

9. Adjustments to transfers from National or Provincial Government.

10. Adjusts = Other Adjustments proposed to be approved, including revenue under collection (MFMMA section 28(2)(a)), additional revenue appropriation on existing programmes (section 28(2)(b)), projected savings (section 28(2)(d)), error correction (section 28(2)(f)).

11. G = B + C + D + E + F.

12. Adjusted Budget H = (A or A1/2 etc) + G.

[illegible]







Capital single-year expenditure sub-total	Total Capital Expenditure									
	34,510	-	-	-	-	-	-	-	35,000	-
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-

References

1. Insert 'Vote', e.g. Department, if different to standard structure

2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and Revenue and Expenditure)

3. Assign share in associate to relevant Vote

Description	Ref	R thousands																
		ASSETS																
Current assets	1	Cash	3,412	1,722	98,616	1,168	1,237	3,614	3,412	98,616	1,168	1,237	3,614	3,412	98,616	1,168	1,237	
		Call investment deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Consumer debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Other debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Current portion of long-term receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Total current assets	104,918	104,918	-	-	-	-	-	-	104,918	104,918	-	-	-	-	-	-
		Non current assets	520,222	520,222	-	-	-	-	-	-	520,222	520,222	-	-	-	-	-	-
		Investment property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Investment in Associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	478,643	478,643	-	-	-	-	-	-	478,643	478,643	-	-	-	-	-	-		
Agricultural	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Biological	622	622	-	-	-	-	-	-	622	622	-	-	-	-	-	-		
Intangible	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total non current assets	999,488	999,488	-	-	-	-	-	-	999,488	999,488	-	-	-	-	-	-		
TOTAL ASSETS	1,104,406	1,104,406	-	-	-	-	-	-	1,104,406	1,104,406	-	-	-	-	-	-		
LIABILITIES	1	Bank overdraft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Consumer deposits		1,549	1,549	-	-	-	-	-	1,549	1,549	-	-	-	-	-	-	-	
Trade and other payables		61,455	61,455	-	-	-	-	-	61,455	61,455	-	-	-	-	-	-	-	
Provisions		5,295	5,295	-	-	-	-	-	5,295	5,295	-	-	-	-	-	-	-	
Total current liabilities		68,299	68,299	-	-	-	-	-	68,299	68,299	-	-	-	-	-	-	-	
Non current liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Provisions		3,420	3,420	-	-	-	-	-	3,420	3,420	-	-	-	-	-	-	-	
Total non current liabilities		3,420	3,420	-	-	-	-	-	3,420	3,420	-	-	-	-	-	-	-	
TOTAL LIABILITIES	71,719	71,719	-	-	-	-	-	71,719	71,719	-	-	-	-	-	-	-		
NET ASSETS	2	1,032,687	1,032,687	-	-	-	-	-	1,032,687	1,032,687	-	-	-	-	-	-		
COMMUNITY WEALTH/EQUITY	-	Accumulated Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Reserves		649,614	649,614	-	-	-	-	-	649,614	649,614	-	-	-	-	-	-		
TOTAL COMMUNITY WEALTH/EQUITY		649,614	649,614	-	-	-	-	-	649,614	649,614	-	-	-	-	-	-		

1. Detail to be provided in Table SA3

2. Net assets must balance with Total Community Wealth/Equity

3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

4. Additional cash-backed accumulated funds/unspent funds (MFLA section 18(1)(b) and section 28(2)(e)) identified after the original budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)

5. Increases of funds approved under MFMA section 31

6. Adjustments approved in accordance with MFMA section 29

7. Adjustments to transfers from National or Provincial Government

8. Adjusts = Other adjustments proposed to be approved, including revenue under collection (MHA section 28(2)(a)), additional revenue appropriation on existing programmes (section 28(2)(b)), projected savings (section 28(2)(d)), error correction (section 28(2)(f))

$$9. G = B + C + D + E + F$$

10. Adjusted Budget  $H = (A \text{ or } A/2 \text{ etc}) + G$



Description	Ref	Budget Year 2014/15										R thousands
		A	B	C	D	E	F	G	H	I	J	
CASH FLOW FROM OPERATING ACTIVITIES	1	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unavail.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Budget Year +2016/17
		82,186	106,030	34,610	250	(11,579)	(159)	(160)	(277,535)	165,893	82,186	86,707
Receipts	1	106,030	106,030	34,610	250	(11,579)	(159)	(160)	(277,535)	165,893	82,186	118,461
Government - operating	1	106,030	106,030	34,610	250	(11,579)	(159)	(160)	(277,535)	165,893	82,186	118,461
Government - capital	1	34,610	34,610	34,610	250	(11,579)	(159)	(160)	(277,535)	165,893	82,186	40,432
Interest		250	250	250	250	(11,579)	(159)	(160)	(277,535)	165,893	82,186	279
Dividends												
Suppliers and employees		(265,956)	(265,956)	(265,956)	(265,956)	(265,956)	(265,956)	(265,956)	(265,956)	(265,956)	(265,956)	(296,084)
Transfers and Grants		(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(168)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(43,030)	(43,030)	(43,030)	(43,030)	(43,030)	(43,030)	(43,030)	(43,030)	(43,030)	(43,030)	(50,372)
CASH FLOWS FROM INVESTING ACTIVITIES		4,436								2,300	6,736	
		4,436								2,300	6,736	
Receipts		4,436								2,300	6,736	
Proceeds on disposal of PPE												
Decrease (increase) in non-current debtors												
Decrease (increase) other non-current receivables												
Decrease (increase) in non-current investments												
Capital assets		(34,610)	(34,610)	(34,610)	(34,610)	(34,610)	(34,610)	(34,610)	(34,610)	(34,610)	(34,610)	(40,432)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(30,174)	(30,174)	(30,174)	(30,174)	(30,174)	(30,174)	(30,174)	(30,174)	(30,174)	(30,174)	(40,432)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans												
Borrowing long term/financing												
Increase (decrease) in consumer deposits												
Payments												
Repayment of borrowing												
NET CASH FROM/(USED) FINANCING ACTIVITIES												
NET INCREASE/(DECREASE) IN CASH HELD	2	(73,203)	(73,203)	(73,203)	(73,203)	(73,203)	(73,203)	(73,203)	(73,203)	(73,203)	(73,203)	(90,804)
Cash/cash equivalents at the year begin:	2	(170,194)	(170,194)	(170,194)	(170,194)	(170,194)	(170,194)	(170,194)	(170,194)	(170,194)	(170,194)	12,138
Cash/cash equivalents at the year end:	2	(243,397)	(243,397)	(243,397)	(243,397)	(243,397)	(243,397)	(243,397)	(243,397)	(243,397)	(243,397)	(78,665)

References  
1. Local/District municipalities to include transfers from/to District/Local Municipalities

2. Cash equivalents includes investments with maturities of 3 months or less

3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

4. Additional cash-backed accumulated funds/unspent funds (MfMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)

5. Increases of funds approved under MfMA section 31

6. Adjustments approved in accordance with MfMA section 29

7. Adjustments to transfers from National or Provincial Government

8. Adjusts = 'Other' Adjustments proposed to be approved, including revenue under-collection (MfMA section 28(2)(a)), additional revenue appropriation on existing programmes (section 28(2)(b)), projected savings (section 28(2)(d)), error correction (section 28(2)(f))

9. G = B + C + D + E + F

10. Adjusted Budget H = (A or A1/2 etc) + G

Description	Ref	Budget Year 2014/15										R thousands
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unavoid.	Nat. or Prov. Govt.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
Cash and investments available		A	3	B	C	D	E	F	G	H		
Cash/cash equivalents at the year end	1	(243,397)	-	-	-	-	2,000	73,448	75,448	(167,949)	(75,981)	(78,665)
Other current investments > 90 days		248,531	-	-	-	-	(2,000)	(73,448)	(75,448)	173,083	81,417	84,401
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		5,134	-	-	-	-	-	-	-	5,134	5,437	5,736
Applications of cash and investments		1,734	-	-	-	-	-	(1,734)	(1,734)	0	-	-
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		(10,785)	-	-	-	-	-	-	-	(10,785)	-	-
Stability requirements		866	-	-	-	-	-	(52,716)	(52,716)	(51,851)	4,894	5,163
Other working capital requirements		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		649,614	-	-	-	-	-	69,905	69,905	719,519	-	-
Reserves to be backed by cash/investments		641,429	-	-	-	-	-	15,455	15,455	656,884	4,894	5,163
Total Application of cash and investments:		(636,295)	-	-	-	-	-	(15,455)	(15,455)	(651,750)	543	572

1. Must reconcile with the Adjustments Budget Cash Flow and Adjustments Budget Financial Position
2. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
5. Increases of funds approved under MFMA section 31
6. Adjustments approved in accordance with MFMA section 29
7. Adjustments to transfers from National or Provincial Government
8. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(e))
9. G = B + C + D + E + F
10. Adjusted Budget H = (A or A1/2 etc) + G

Description	Ref	R thousands										
		A	7	8	9	10	11	12	F	G	H	
		Original Budget	Adjusted Prior	Accum Funds	Multi-year capital	Unavail.	Nat. or Prov. Govt.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		Budget Year +2016/17								Budget Year +2016/17		
CAPITAL EXPENDITURE	1	34,610	-	-	-	-	-	(10,110)	(10,110)	24,500	-	-
		Total New Assets to be adjusted										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Road transport										
		5,000	-	-	-	-	-	-	-	5,000	-	-
		Infrastructure - Electricity										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Sanitation										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Other										
6	2	34,610	-	-	-	-	-	(23,064)	(23,064)	11,546	-	-
		Infrastructure										
		-	-	-	-	-	-	-	-	-	-	-
		Heritage assets										
		-	-	-	-	-	-	-	-	-	-	-
		Investment properties										
		-	-	-	-	-	-	-	-	-	-	-
		Other assets										
		-	-	-	-	-	-	-	-	-	-	-
		Agricultural Assets										
5	4	-	-	-	-	-	-	-	-	-	-	-
		Biological assets										
		-	-	-	-	-	-	-	-	-	-	-
		Heritage assets										
		-	-	-	-	-	-	-	-	-	-	-
		Investment properties										
		-	-	-	-	-	-	-	-	-	-	-
		Other assets										
		-	-	-	-	-	-	-	-	-	-	-
		Agricultural Assets										
4	2	38,307	-	-	-	-	-	(21,261)	(21,261)	17,046	-	-
		Infrastructure - Road transport										
		5,000	-	-	-	-	-	-	-	5,000	-	-
		Infrastructure - Electricity										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Sanitation										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Other										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure										
5	5	43,307	-	-	-	-	-	(21,261)	(21,261)	22,046	-	-
		Infrastructure										
		-	-	-	-	-	-	-	-	-	-	-
		Heritage assets										
		-	-	-	-	-	-	-	-	-	-	-
		Investment properties										
		-	-	-	-	-	-	-	-	-	-	-
		Other assets										
		-	-	-	-	-	-	-	-	-	-	-
		Agricultural Assets										
6	5	-	-	-	-	-	-	-	-	-	-	-
		Biological assets										
		-	-	-	-	-	-	-	-	-	-	-
		Heritage assets										
		-	-	-	-	-	-	-	-	-	-	-
		Investment properties										
		-	-	-	-	-	-	-	-	-	-	-
		Other assets										
		-	-	-	-	-	-	-	-	-	-	-
		Agricultural Assets										
TOTAL CAPITAL EXPENDITURE to be adjusted	2	43,307	-	-	-	-	-	(21,261)	(21,261)	22,046	-	-
		Infrastructure										
		-	-	-	-	-	-	-	-	-	-	-
		Heritage assets										
		-	-	-	-	-	-	-	-	-	-	-
		Investment properties										
		-	-	-	-	-	-	-	-	-	-	-
		Other assets										
		-	-	-	-	-	-	-	-	-	-	-
		Agricultural Assets										
ASSET REGISTER SUMMARY - PPE (MDV)	5	213,742	-	-	-	-	-	-	-	213,742	-	-
		Infrastructure - Road transport										
		264,901	-	-	-	-	-	-	-	264,901	-	-
		Infrastructure - Electricity										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Sanitation										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Other										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure										
EXPENDITURE OTHER ITEMS	3	70,089	-	-	-	-	-	-	-	70,089	-	-
		Depreciation & asset impairment										
		9,266	-	-	-	-	-	-	-	9,266	-	-
		Infrastructure - Road transport										
		1,790	-	-	-	-	-	-	-	1,790	-	-
		Infrastructure - Electricity										
		7,082	-	-	-	-	-	-	-	7,082	-	-
		Infrastructure - Sanitation										
		-	-	-	-	-	-	-	-	-	-	-
		Infrastructure - Other										
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	6	8,852	-	-	-	-	-	-	-	8,852	-	-
		Infrastructure										
		-	-	-	-	-	-	-	-	-	-	-
		Community										
		414	-	-	-	-	-	-	-	414	-	-
		Heritage assets										
		-	-	-	-	-	-	-	-	-	-	-
		Investment properties										
		-	-	-	-	-	-	-	-	-	-	-
		Other assets										
TOTAL ASSET REGISTER SUMMARY - PPE (MDV)	5	478,643	-	-	-	-	-	-	-	478,643	-	-
		Infrastructure										
		-	-	-	-	-	-	-	-	-	-	-
		Community										
		-	-	-	-	-	-	-	-	-	-	-
		Heritage assets										
		-	-	-	-	-	-	-	-	-	-	-
		Investment properties										
		-	-	-	-	-	-	-	-	-	-	-
		Other assets										
EXPENDITURE OTHER ITEMS	3	70,089	-	-	-	-	-	-	-	70,089	-	-
		Depreciation & asset impairment										
		9,266	-	-	-	-	-	-	-	9,266	-	-
		Infrastructure - Road transport										
		1,790	-	-	-	-	-	-	-	1,790	-	-
		Infrastructure - Electricity										
		7,082	-	-	-	-	-	-	-	7,082	-	-

		Budget Year 2014/15																													
	Budget Year +2 2016/17	Budget Year +1 2015/16	Adjusted Budget	Adjusted Budget	Adjusted Budget	H	14	Budget	Total Adjusts.	G	13	Total Adjusts.	E	11	Govt.	Net of Prov.	D	10	Unavoid.	C	9	Multi-year capital	B	8	Accum. Funds	A1	7	A	Original Budget	Ref	Description
Household service targets	1	2	3	3.4	5	5	5	5	5	15	16	17	6	1,881	1,881	Other	6	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881
Water:	0																														
Piped water inside dwelling (but not in dwelling)																															
Using public tap (at least min. service level)																															
Other water supply (at least min. service level)																															
Minimum Service Level and Above sub-total																															
Using public tap (< min. service level)																															
Other water supply (< min. service level)																															
No water supply																															
Below Minimum Service Level sub-total																															
Total number of households																															
Electricity (at least min. service level)																															
Electricity - prepaid (> min. service level)																															
Minimum Service Level and Above sub-total																															
Electricity (< min. service level)																															
Electricity - prepaid (< min. service level)																															
Other energy sources																															
Below Minimum Service Level sub-total																															
Total number of households																															
Removed at least once a week (min. service)																															
Minimum Service Level and Above sub-total																															
Removed less frequently than once a week																															
Using communal refuse dump																															
Using own refuse dump																															
No rubbish disposal																															
Other rubbish disposal																															
Below Minimum Service Level sub-total																															
Total number of households																															
Households receiving Free Basic Service																															
Water (5 kilolitres per household per month)																															
Sanitation (free minimum level service)																															
Electricity/other energy (50kwh per household per month)																															
Refuse (removed at least once a week)																															
Cost of Free Basic Services provided (R'000)																															
Water (5 kilolitres per household per month)																															
Sanitation (free sanitation service)																															
Refuse (removed once a week)																															
Total cost of FBS provided (minimum social package)																															
Highest level of free service provided																															
Property rates (R'000 value threshold)																															
Water (kilolitres per household per month)																															
Sanitation (kilolitres per household per month)																															
Electricity (kw per household per month)																															
Refuse (average litres per week)																															
Revenue cost of free services provided (R'000)																															
Property rates (other exemptions, reductions and rebates)																															
Water																															
Sanitation																															
Electricity/other energy																															
Municipal Housing - rental rebates																															
Housing - top structure subsidies																															
Other																															
Total revenue cost of free services provided (total social package)																															

[illegible]

4. Expenditure to meet any unfulfilled obligations
5. Insert other categories where revenue or expenditure is of a material nature
6. Must reconcile to supporting documentation on staff salaries
7. Must reconcile with relevant line on the Financial Performance budget
8. Any incomplete if a previous budget has been included in the same financial year. Refers to most recent budget submitted
9. Additional checks: backdated accumulated transfers/adjustments (section 19(1)(b) and section 28(2)(a)(b)(c)(d)) identified after Original Budget approved and after annual financial statements audited (note: only where understanding could not reasonably be obtained)

8. increases of funds approved under section 31 MFLMA  
9. adjustments approved in accordance with section 29 MFLMA  
10. adjustments to funding allocations from National or Provincial Government  
11. Adjustments proposed to be approved, including revenue under-collection (MFLMA section 28(2)(a)), additional revenue appropriation on existing programmes (section 28(2)(b)), projected savings (section 28(2)(d)), error correction

$$12. G = B + C + D + E + F$$

R thousands	Description	Ref	Budget Year 2014/15											Adjusted Budget	Adjusted Budget	Adjusted Budget
			A	A1	B	C	D	E	F	G	H	I	J			
ASSETS	Call investment deposits		1,722								1,722			1,823		1,823
	Call deposits < 90 days															
	Other current investments > 90 days															
	Total Call investment deposits		1,722								1,722			1,823		1,823
	Consumer debtors		98,616								98,616			104,435		110,179
	Less: provision for debt impairment															
	Total Consumer debtors		98,616								98,616			104,435		110,179
	Debt impairment provision															
	Balance at the beginning of the year															
	Contributions to the provision															
LIABILITIES	Bad debts written off															
	Balance at end of year															
	Property, plant & equipment															
	PPE at cost/valuation (excl. finance leases)		547,129								547,129					
	Leases recognised as PPE		68,485								68,485					
	Less: Accumulated depreciation															
	Total Property, plant & equipment		478,643								478,643					
	Current liabilities - Borrowing															
	Short term loans (other than bank overdraft)															
	Current Current liabilities - Borrowing															
CHANGES IN NET ASSETS	Accumulated surplus/(Deficit) - opening balance															
	Accumulated surplus/(Deficit)															
	Appropriations to Reserves															
	Transfers from Reserves															
	Depreciation offsets															
	Other adjustments															
	Accumulated Surplus/(Deficit)															
	Reserves															
	Housing Development Fund															
	Capital replacement															
TOTAL COMMUNITY WEALTH/EQUITY	Self-insurance		719,519								719,519					
	Other reserves (list)		(69,905)								(69,905)					
	Revaluation															
	Total Reserves		649,614								649,614					
	Total Reserves		649,614								649,614					
	2															
	2															
	2															
	2															
	2															
Total capital expenditure includes expenditure on nationally significant priorities:																
Provision of basic services																
2010 World Cup																

References

1. Must reconcile with 'Financial Position' budget
2. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases
3. Borrowing (original budget) must reconcile to Budget Table A16
4. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
5. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMMA) identified after Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably be have for
6. Increases of funds approved under section 31 MFMMA
7. Adjustments approved in accordance with section 29 MFMMA
8. Adjustments to funding allocations from National or Provincial Government
9. Adjustments = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sect

10.  $G = B + C + D + E + F$

11. Adjusted Budget  $H = (A \text{ or } A1/2 \text{ etc}) + G$

[illegible]

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (M/FMA s17(3)(b)).
2. Include the estimated effect on the target of each component of an adjustment budget (B to C)
3. Include all Basis Services performance targets from Table A10 to ensure SAA7 represents all strategic responsibilities
4. Total target adjustments  $G = B + C + D + E + F$
5. Total target adjustment targets  $H = (A / A17) + G$
6. NOTE - include adjustment by exception (only where amended)

6. NOTE - include adjustment by 'exception' (only where amended)

5. Total Adjusted Budget targets  $H = (A \text{ or } A/2 \text{ etc}) + G$

4. Total target adjustments  $G = B + C + D + E + F$

3. Include all Basic Services performance targets from Table A10 to ensure Table SA7 represents all strategic responsibilities

2. Include the estimated effect on the target of each component of an adjustment budget (B to G)

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))

Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Budget Year 2014/15				Budget Year +1 2015/16	Budget Year +2 2016/17
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>Borrowing Management</b>										
Credit Rating	Short term/long term rating									
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>										
Gearing	Long Term Borrowing/ Funds & Reserves				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>										
Current Ratio	Current assets/current liabilities	0.2%	0.4%	0.6%	153.6%	0.0%	157.6%	153.6%	153.6%	153.6%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities	0.6%	8.8%	1.5%	1463.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities				0.1	0.0	0.1	0.1	0.1	0.1
<b>Revenue Management</b>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing	77.0%	60.0%	66.2%						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				39.7%	0.0%	37.9%	40.9%	40.9%	40.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MPMA s 65(e))									
Creditors to Cash					-25.2%	0.0%	516.6%	-85.7%	-87.3%	-87.3%
<b>Other Indicators</b>										
Electricity Distribution Losses (2)	Total Volume Losses (KW)									
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)									
Water Distribution Losses (2)	Total Volume Losses (kℓ)									
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)									
Employee costs	Employee costs/(Total Revenue - capital revenue)				32.2%	0.0%	34.6%	33.2%	33.2%	33.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				3.7%	0.0%	4.3%	0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				28.3%	0.0%	27.0%	29.2%	29.2%	29.2%
<b>JP regulation financial viability indicators</b>										
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year				89642.3%	0.0%	96863.2%	85263.3%	89942.2%	89942.2%
II. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				39.7%	0.0%	37.9%	40.9%	40.9%	40.9%
III. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				-1.0	0.0	0.0	-0.3	-0.3	-0.3

References  
1. Consumer debtors > 12 months old are excluded from current assets



KZN266 Ulundi - Supporting Table SB5 Adjustments Budget - social, economic and demographic statistics and assumptions - 26/02/2015

Description of economic indicator	Ref.	1996 Census	2001 Census	2007 Survey	2011/12	2012/13	2013/14	Current year	Original Budget	Adjusted Budget
<b>Demographics</b>										
Population										
Females aged 5 - 14									180,000	
Males aged 5 - 14									24,000	
Females aged 15 - 34									25,000	
Males aged 15 - 34									36,000	
Unemployment									30,000	
									15,000	
<b>Monthly Household Income (no. of households)</b>										
None	1, 12									
R1 - R1 600									4,492	
R1 601 - R3 200									1,736	
R3 201 - R6 400									1,736	
R6 401 - R12 800									3,249	
R12 801 - R25 600									7,834	
R25 601 - R51 200									8,736	
R52 201 - R102 400									4,205	
R102 401 - R204 800									2,430	
R204 801 - R409 600									1,583	
R409 601 - R819 200									703	
> R819 200									229	
<b>Poverty profiles (no. of households)</b>										
< R2 080 per household per month	13								6,228	
Insert description	2								1600.00	
<b>Household demographics (000)</b>										
Number of people in municipal area									180	
Number of poor people in municipal area									-	
Number of households in municipal area									35	
Number of poor households in municipal area									-	
Definition of poor household (R per month)									1,500	
<b>Housing statistics</b>										
Formal	3								1,154	
Informal									4,347	
Total number of households									5,501	
Dwellings provided by municipality	4								37	
Dwellings provided by province									635	
Dwellings provided by private sector	5								2	
Total new housing dwellings									674	
<b>Economic</b>										
Inflation/inflation outlook (CPI)	6								4.9%	
Interest rate - borrowing									0.0%	
Interest rate - investment									10.0%	
Remuneration increases									6.5%	
Consumption growth (electricity)										
Consumption growth (water)										
<b>Collection rates</b>										
Property tax/service charges	7								100.0%	
Rental of facilities & equipment									10.0%	
Interest - external investments									%	
Interest - debtors									%	
Revenue from agency services									%	

**References**

1. Monthly household income threshold. Should include all sources of income.
2. Show the poverty analysis the municipality uses to determine its indigents policy and the provision of services
3. Include total of all housing units within the municipality
4. Number of subsidised dwellings to be constructed by the municipality under agency agreement with province
5. Provide estimate based on building approval information. Include any non-subsidised dwellings constructed by the municipality
6. Insert actual or estimated % increases assumed as a basis for budget calculations

KZN266 Umlund - Supporting Table SB6 Adjustments Budget - funding measurement - 26/02/2015

Description		Ref	MFMA section	2011/12	2012/13	2013/14	Medium Term Revenue and Expenditure Framework				
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17
Cash/cash equivalents at the year end - R'000		1	18(1)b	1,047	1,672	6,419	(243,397)	-	11,561	(75,981)	(78,665)
Cash + investments at the yr end less applications - R'000		2	18(1)b	550	625	2,729	(636,295)	-	(651,750)	543	572
Cash year end/monthly employee/supplier payments		3	18(1)b				(0)	-	0	(0)	(0)
Surplus/(Deficit) excluding depreciation offsets: R'000		4	18(1)				(100,754)	-	(69,262)	(74,407)	(80,496)
Service charge rev % change - macro CPIX target exclusive		5	18(1)a,(2)		0.0%	0.0%	0.0%	0.0%	0.0%	113.1%	-0.5%
Cash receipts % of Ratepayer & Other revenue		6	18(1)a,(2)		0.0%	0.0%	59.7%	0.0%	0.0%	57.6%	57.6%
Debt impairment expense as a % of total billable revenue		7	18(1)a,(2)				5.4%	0.0%	5.0%	5.5%	5.5%
Capital payments % of capital expenditure		8	18(1)c,19				100.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)		9	18(1)c				0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations		10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - inc/(dec)		11	18(1)a							5.9%	5.5%
Long term receivables % change - inc/(dec)		12	18(1)a							0.0%	0.0%
R&M % of Property Plant & Equipment		13	20(1)(vi)				1.9%	0.0%	2.3%	0.0%	0.0%
Asset renewal % of capital budget		14	20(1)(vi)				20.1%	0.0%	30.0%	0.0%	0.0%

- References
1. Positive cash balances indicative of minimum compliance - subject to 2
  2. Deduct applications (defined) from cash balances
  3. Indicative of sufficient liquidity to meet average monthly operating payments
  4. Indicative of funded operational requirements
  5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
  6. Realistic average cash collection forecasts as % of annual billed revenue
  7. Realistic average increase in doubtful debt provision
  8. Indicative of planned capital expenditure level & cash payment timing
  9. Indicative of compliance with borrowing only for the capital budget - should not exceed 100% unless refinancing
  10. Substantiation of National/Province allocations included in budget
  11. Indicative of realistic current arrears debtor collection targets (prior to 2003/04 revenue not available for high cap municipalities and later for other capacity classifications)
  12. Indicative of realistic long term arrears debtor collection targets (prior to 2003/04 revenue not available for high cap municipalities and later for other capacity classifications)
  13. Indicative of a credible allowance for repairs & maintenance of assets
  14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan)



Description		Ref	RECEIPTS:												R thousands
		1, 2													
		3													
		4													
		5													
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1. Each grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation  
2. Amounts actually **RECEIVED** : not revenue earned (the objective is to confirm grants allocated)

2. Amounts actually **RECEIVED**; not revenue earned (the objective is to confirm grants allocated)

### 3. Replacement of RSC levies

4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality

5. Motor vehicle licensing refunds to be included under 'agency' services (Not shown here as Receipts)

6. Total Grant Receipts original budget must reconcile to budget supporting table A18

7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

8. Increases of funds approved under section 31 MFMA

9. Adjustments to funding allocations from National or Provincial Government

10. Adjusts: = 'Other Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(a)), error correction (section 28(2)(f)), functional shifts and any adjustments made under delegation by the AO since the budget was approved

$$11. E = B + C + D$$

12. Adjusted Budget  $F = (A \text{ or } A/2 \text{ etc}) + E$

R thousands									
Description	Ref	EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:							
		A	2	3	4	5	6	7	
Operating expenditure of Transfers and Grants	1	Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
National Government:		34,000	-	-	-	-	-	34,000	-
Local Government Equitable Share		29,000						29,000	
Water Services Operating Subsidy									
EPWP Incentive									
Finance Management									
Other transfers/grants [insert description]		5,000						5,000	
Provincial Government:		1,031	-	-	-	-	-	1,031	-
Sport and Recreation		150						150	
Disaster Relief Grant									
Provincialisation of Libraries		735						735	
Community Library service		146						146	
District Municipality:		50	-	-	-	-	-	50	-
Tourism Grant		50						50	
Other grant providers:		-	-	-	-	-	-	-	-
[insert description]									
Total operating expenditure of Transfers and Grants:		35,081	-	-	-	-	-	35,081	-
Capital expenditure of Transfers and Grants		34,000	-	-	1,000	-	1,000	35,000	-
National Government:									
Municipal Infrastructure Grant (MIG)		29,000			1,000		1,000	29,000	
Disaster Relief Grant								1,000	
Electrification of Households Grant (INEP)		5,000						5,000	
Provincial Government:		-	-	-	-	-	-	-	-
[insert description]									
District Municipality:		-	-	-	-	-	-	-	-
Tourism Grant									
Other grant providers:		-	-	-	-	-	-	-	-
Internal generated funds									
Total capital expenditure of Transfers and Grants		34,000	-	-	1,000	-	1,000	35,000	-
Total capital expenditure of Transfers and Grants		69,081	-	-	1,000	-	1,000	70,081	-

References

1. Transfers/Grant expenditure must be separately listed for each allocation received

2. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

3. Increases of funds approved under section 31 MFMA

4. Adjustments to funding allocations from National or Provincial Government

5. Adjusts = Other Adjustments proposed to be approved; error correction (section 28(2)(f)); functional shifts and any adjustments made under delegation by the A/C since the budget was approved or since a previously approved Adjustments Budget in the

6. E = B + C + D

7. Adjusted Budget F = (A or A1/2 etc) + E

R thousands	Description	Ref	Budget Year 2014/15							Budget Year +1 Budget Year	
			A Original Budget	A1 Prior Adjusted	B Multi-year capital	C Nat. or Prov. Govt	D Other Adjusts.	E Total Adjusts.	F Adjusted Budget	2015/16 Adjusted Budget	+2 2016/17 Adjusted Budget
Operating transfers and grants:	National Government:		103,918	-	-	-	-	-	103,918	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		103,918	-	-	-	-	-	103,918	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	District Municipality:		2,062	-	-	-	-	-	2,062	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		2,062	-	-	-	-	-	2,062	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Capital transfers and grants:	National Government:		-	-	-	-	-	-	-	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		-	-	-	-	-	-	-	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	Provincial Government:		103,918	-	-	-	-	-	103,918	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		103,918	-	-	-	-	-	103,918	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		-	-	-	-	-	-	-	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	Other grant providers:		50	-	-	-	-	-	50	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		50	-	-	-	-	-	50	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2		140,030	-	-	-	-	-	140,030	-	-
	Total operating transfers and grants - CTBM		140,030	-	-	-	-	-	140,030	-	-
	Capital transfers and grants:		-	-	-	-	-	-	-	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		-	-	-	-	-	-	-	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	Provincial Government:		-	-	-	-	-	-	-	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		-	-	-	-	-	-	-	-	-
Total capital transfers and grants - CTBM	Total capital transfers and grants revenue		610	-	-	-	-	-	610	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	Other grant providers:		-	-	-	-	-	-	-	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		-	-	-	-	-	-	-	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	District Municipality:		-	-	-	-	-	-	-	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS - CTBM	TOTAL TRANSFERS AND GRANTS REVENUE		140,640	-	-	-	-	-	140,640	-	-
	TOTAL TRANSFERS AND GRANTS - CTBM		140,640	-	-	-	-	-	140,640	-	-
	Total capital transfers and grants - CTBM		610	-	-	-	-	-	610	-	-
	Total capital transfers and grants revenue		610	-	-	-	-	-	610	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
	Other grant providers:		-	-	-	-	-	-	-	-	-
	Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
	Current year receipts		-	-	-	-	-	-	-	-	-
	Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
	Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-

References

1. Total capital grants revenue budget must reconcile to budget table A4 and A5; total operating grants revenue must reconcile to budget table A4

2. CTBM = conditions to be met

3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.

4. Increases of funds approved under section 31 MFMA

5. Adjustments to funding allocations from National or Provincial Government

5. Adjusts. = 'Other' Adjustments proposed to be approved, including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (sect

6. E = B + C + D

7. Adjusted Budget F = (A or A1/2 etc) + E

Description		Ref	Budget Year 2014/15													Budget Year +1 2015/16		Budget Year +2 2016/17	
			A Original Budget	6 Prior Adjusted	A1 Accum. Funds	7 B	8 C Multi-year capital	9 D Unavoid.	10 E Nat. or Prov. Govt.	11 F Other Adjusts.	12 G Total Adjusts.	13 H Adjusted Budget	Adjusted Budget	Adjusted Budget					
R thousands	Non-cash transfers to other municipalities		1																
			TOTAL ALLOCATIONS TO MUNICIPALITIES:																
			Non-cash transfers to Entities/Other External Mechanisms																
			[insert description]																
			[insert description]																
	Non-cash transfers to other Organs of State		3																
			TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:																
			Cash transfers to other Organisations																
			[insert description]																
			[insert description]																
	TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:		4																
			TOTAL CASH TRANSFERS TO OTHER ORGANS OF STATE:																
			Cash transfers to other Organisations																
			[insert description]																
			[insert description]																
	TOTAL CASH TRANSFERS		5																
			TOTAL CASH TRANSFERS TO OTHER ORGANS OF STATE:																
			Cash transfers to other Organisations																
			[insert description]																
			[insert description]																

Summary of remuneration														Ref
R thousands														
Councillors (Political Office Bearers plus Other)														
Sub Total - Councillors														
% increase														
Senior Managers of the Municipality														
Sub Total - Senior Managers of Municipality														
% increase														
Board Members of Entities														
Sub Total - Board Members of Entities														
% increase														
Senior Managers of Entities														
Sub Total - Senior Managers of Entities														
% increase														
Total Parent Municipality														
% increase														
Total Municipal Entities														
% increase														
Sub Total - Other Staff of Entities														
% increase														
COUNCILLOR ALLOWANCES, EMPLOYEE REMUNERATION														
% increase														
TOTAL MANAGERS AND STAFF														
% increase														
TOTAL														
Budget Year 2014/15														
Original	Prior	Accum.	Multi-year	Unfore.	Unfore.	Govt	Other	Total	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	% change
A	A1	B	C	D	E	F	G	H	I	J	K	L	M	N

1. Includes Loans and advances where applicable if any reportable amounts only with phased compliance with s184 of MFMA achieved

2. If benefits in kind are provided (e.g. provision of living quarters) the full market value must be shown as the cost to the municipality

3. 15% of the Systems Act

4. Must agree to the sub-total appearing on Table C1 (Employee costs)

5. Includes pension payments and employer contributions to medical aid

Column Definitions:

A. The original budget approved by council for the current year

5. Only complete if a previous adjusted budget has been approved in the same financial year. reflect most recent adjusted budget

6. Additional cash-backed accumulated funds/unspent funds (section 18(1)(b) and section 28(2)(e) MFMA) denoted after Original Budget approved and after annual financial statements audited (note only where underspending)

7. Increases of funds approved under section 31 MFMA

8. Adjustments approved in accordance with section 29 MFMA

9. Adjustments caused by changes in funding allocations from National or Provincial Government

10. Adjusts = Other Adjustments proposed to be approved, including revenue under collection (MFMA section 28(2)(a)), additional revenue appropriation on existing programs (section 28(2)(b)), projected savings (section 28(2)(d)), error correction (sec

11.  $G = B + C + D + E + F$

12. Adjusted Budget  $H = (A \text{ or } A1/2 \text{ etc}) + G$



KZN266 Ulundi - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 26/02/2015

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Revenue by Vote																
Vote 1 - GOVERNMENT & ADMINISTRATION		1,943	5,684	-	1,962	34,349	1,943	7,491	7,491	7,491	7,491	7,491	76,240	159,576	163,785	172,793
Vote 2 - Community & Public Safety		479	1,097	-	288	312	479	578	578	578	578	578	2,598	8,123	7,544	7,958
Vote 3 - Economic & Environmental Services		32	1,047	-	16	117	32	197	197	6,347	197	197	28,032	36,412	35,928	37,904
Vote 4 - Trading Services		4,928	2,226	-	6,302	3,694	4,928	3,670	3,670	3,670	3,670	3,670	49,525	89,954	90,361	95,331
Vote 5 - [NAME OF VOTE 5]													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Revenue by Vote		7,383	10,055	-	8,548	38,471	7,383	11,936	11,936	18,086	11,936	11,936	156,395	294,066	297,517	313,986
Expenditure by Vote																
Vote 1 - GOVERNMENT & ADMINISTRATION		4,689	6,337	6,426	5,420	6,426	6,459	5,958	5,958	5,958	5,958	5,958	93,126	158,672	169,617	178,946
Vote 2 - Community & Public Safety		2,736	2,320	4,966	5,131	4,966	4,602	4,119	4,119	4,119	4,119	4,119	8,253	53,570	50,827	53,622
Vote 3 - Economic & Environmental Services		2,418	1,577	13,000	13,000	2,080	4,809	6,146	6,146	6,146	6,146	6,146	(13,671)	53,942	55,380	56,426
Vote 4 - Trading Services		6,154	8,822	18,164	6,775	18,164	7,466	10,923	10,923	10,923	10,923	10,923	(23,016)	97,144	93,958	99,126
Vote 5 - [NAME OF VOTE 5]													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Expenditure by Vote		15,996	19,056	42,555	30,327	31,635	23,336	27,146	27,146	27,146	27,146	27,146	64,692	363,328	369,782	390,120
Surplus/ (Deficit)		(8,613)	(9,002)	(42,555)	(21,779)	6,836	(15,952)	(15,210)	(15,210)	(9,060)	(15,210)	(15,210)	91,703	(69,262)	(72,165)	(76,134)

References

1. Surplus (Deficit) must reconcile with budget table A2 and monthly budget statement table C2

KZ26 Unundi - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (standard classification) - 26/02/2015

Description - Standard classification	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Revenue - Standard																
Governance and administration	1,943	5,684	-	1,982	34,349	1,943	7,491	7,491	7,491	7,491	7,491	7,491	76,240	159,576	163,785	112,793
Executive and council	934												8,505	9,439	9,996	10,546
Budget and treasury office	1,915	4,326		1,934	34,317	1,915	7,401	7,401	7,401	7,401	7,401	7,401	67,796	149,207	152,697	161,095
Corporate services	28	425		28	32	28	90	90	90	90	90	90	(61)	930	1,092	1,152
Community and public safety	479	1,097	-	268	312	479	578	578	578	578	578	578	2,598	8,123	7,544	7,958
Community and social services	7	736		13	7	7	41	41	41	41	41	41	46	1,021	1,141	1,141
Sport and recreation													150	150	159	168
Public safety	472	361		256	304	472	537	537	537	537	537	537	2,402	6,952	6,303	6,650
Housing																
Health																
Economic and environmental services	32	1,047	-	16	117	32	197	197	197	6,347	197	197	28,032	36,412	30,796	32,489
Planning and development	29	1,047		16	61	29	197	197	197	197	197	197	5,165	7,332	30,796	32,489
Road transport	4				56	4				6,150			22,867	29,080	30,796	32,489
Environmental protection																
Trading services	4,928	2,226	-	6,302	3,694	4,928	3,670	3,670	3,670	3,670	3,670	3,670	49,525	89,954	90,361	95,331
Electricity	4,453	1,821		5,814	3,214	4,453	3,292	3,292	3,292	3,292	3,292	3,292	47,322	83,536	83,567	88,163
Water																
Waste water management																
Waste management	475	405		467	480	475	378	378	378	378	378	378	2,203	6,416	6,794	7,168
Other																
Total Revenue - Standard		10,055	-	8,546	38,471	7,383	11,936	11,936	11,936	18,006	11,936	11,936	156,395	294,066	292,485	308,571
Expenditure - Standard																
Governance and administration	4,689	6,337	6,426	5,420	6,426	6,459	5,958	5,958	5,958	5,958	5,958	5,958	85,722	151,268	161,776	170,674
Executive and council	1,760	2,344	3,467	2,085	3,467	2,808	2,655	2,655	2,655	2,655	2,655	2,655	3,017	32,223	34,102	35,977
Budget and treasury office	1,448	2,229	1,078	2,113	1,078	2,013	1,659	1,659	1,659	1,659	1,659	1,659	77,732	95,986	101,432	107,010
Corporate services	1,481	1,764	1,881	1,222	1,881	1,637	1,644	1,644	1,644	1,644	1,644	1,644	4,973	23,080	26,243	27,686
Community and public safety	2,736	2,320	4,966	5,131	4,966	4,602	4,119	4,119	4,119	4,119	4,119	4,119	11,910	57,227	58,668	61,894
Community and social services	675	151	1,669	2,559	1,669	2,504	1,537	1,537	1,537	1,537	1,537	1,537	8,539	25,451	16,574	17,465
Sport and recreation													(0)	(0)	9,136	9,638
Public safety	2,061	2,169	3,297	2,572	3,297	2,099	2,582	2,582	2,582	2,582	2,582	2,582	3,372	31,776	32,958	34,771
Housing																
Health																
Economic and environmental services	2,418	1,577	13,000	13,000	2,080	4,809	6,146	6,146	6,146	6,146	6,146	6,146	(13,671)	53,942	55,380	58,426
Planning and development	198	408	173	173	171	-177	216	216	216	216	216	216	754	3,133	3,530	3,724
Road transport	2,220	1,169	12,827	12,827	1,909	4,632	5,930	5,930	5,930	5,930	5,930	5,930	(14,426)	50,809	51,850	54,702
Environmental protection																
Trading services	6,154	8,822	18,164	6,775	18,164	7,466	10,923	10,923	10,923	10,923	10,923	10,923	(19,269)	100,891	93,958	99,126
Electricity	5,297	8,174	17,664	5,833	17,664	7,052	10,280	10,280	10,280	10,280	10,280	10,280	(25,882)	87,192	79,693	84,076
Water																
Waste water management																
Waste management	856	648	500	942	500	414	643	643	643	643	643	643	6,624	13,899	14,265	15,050
Other																
Total Expenditure - Standard		13,996	42,555	30,327	31,635	23,336	27,146	27,146	27,146	27,146	27,146	27,146	64,692	363,328	369,792	390,120
Surplus/(Deficit) 1.		(8,613)	(9,002)	(21,778)	8,536	(15,952)	(15,210)	(15,210)	(15,210)	(9,080)	(15,210)	(15,210)	91,703	(69,262)	(77,297)	(61,549)

References  
1. Surplus (Deficit) must reconcile with budget table A3 and monthly budget statement table C3

KZN266 Ulundi - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 26/02/2015

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source																
Property rates		27,187	1,818	1,809	1,810	1,809	1,821	2,856	2,856	2,856	2,856	2,856	2,000	52,533	48,466	51,131
Property rates - penalties & collection charges		-	-	-	-	-	-	904	904	-	-	-	-	904	-	-
Service charges - electricity revenue		2,154	2,765	6,255	3,642	6,255	4,902	10,324	10,324	10,324	10,324	10,324	3	77,597	77,274	81,525
Service charges - water revenue													-	-	-	-
Service charges - sanitation revenue													-	-	-	-
Service charges - refuse		406	406	406	406	406	406	575	575	575	575	575	579	5,890	6,794	7,168
Service charges - other													-	-	-	-
Rental of facilities and equipment		70	79	44	83	44	60	45	45	45	45	45	45	651	635	670
Interest earned - external investments		12	108	56	5	56	82	30	30	30	30	30	30	500	265	279
Interest earned - outstanding debtors		-	-	-	-	-	-						-	-	-	-
Dividends received													-	-	-	-
Fines		173	173	173	173	173	173	394	394	394	394	394	397	3,405	3,606	3,804
Licences and permits		186	189	233	171	233	219	219	219	219	219	219	222	2,547	2,547	2,687
Agency services		-	-	-	-	-	-						-	-	-	-
Transfers recognised - operational		41,791	2,081	-	32,494	-	-	27	27	27	27	27	29	106,030	112,286	118,461
Other revenue		91	2,424	128	131	128	38						6,736	3,103	3,286	3,466
Gains on disposal of PPE																
Total Revenue		72,070	10,043	9,104	38,915	9,104	7,702	14,470	14,470	14,470	14,470	14,470	40,609	259,897	255,159	269,193
Expenditure By Type																
Employee related costs		6,876	5,518	6,466	7,095	5,518	6,731	8,611	8,611	8,611	8,611	8,611	8,740	89,996	84,799	89,463
Remuneration of councillors		779	916	952	887	916	905	1,313	1,313	1,313	1,313	1,313	1,318	13,239	14,020	14,791
Debt impairment													6,903	6,903	7,310	7,712
Depreciation & asset impairment													70,089	70,089	74,224	78,306
Finance charges													160	160	159	168
Bulk purchases		3,666	7,138	3,895	16,058	4,130	4,676	3,153	3,153	3,153	3,153	3,153	3,153	58,472	61,922	65,327
Other materials			1	12	16	1	4	8	8	8	8	8	12	85	89	94
Contracted services		1,775	2,152	1,784	1,157	2,152	2,353	9,872	9,872	9,872	9,872	9,872	9,874	70,608	74,773	78,866
Grants and subsidies													-	-	52,486	55,373
Other expenditure		2,905	2,147	2,395	6,367	2,147	7,669	4,618	4,618	4,618	4,618	4,618	-	19,608	-	-
Loss on disposal of PPE													-	-	-	-
Total Expenditure		15,991	17,872	15,503	31,580	14,864	22,338	27,575	27,575	27,575	27,575	27,575	73,138	329,159	369,782	390,120
Surplus/(Deficit)		56,080	(7,829)	(6,399)	7,335	(5,760)	(14,637)	(13,105)	(13,105)	(13,105)	(13,105)	(13,105)	(32,529)	(69,262)	(114,623)	(120,928)
Transfers recognised - capital													(22,650)	-	40,216	40,432
Contributions		16,500											-	-	-	-
Contributed assets													-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		72,580	(7,829)	(6,399)	7,335	(5,760)	(14,637)	(13,105)	(13,105)	(6,955)	(13,105)	(13,105)	(55,179)	(69,262)	(74,407)	(80,486)

References

1. Surplus (Deficit) must reconcile with budget table A4 and monthly budget statement table C4

KZN266 Ulundi - Supporting Table SB15 Adjustments Budget - monthly cash flow - 26/02/2015

Monthly cash flows	Rel	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15 Adjusted Budget	Budget Year +1 2015/16 Adjusted Budget	Budget Year +2 2016/17 Adjusted Budget
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget			
<b>R thousands</b>	<b>###</b>															
<b>Cash Receipts By Source</b>																
Property rates		2 816	4 899	2 238	10 486	3 797	1 024	1 486	294	294	294	294	294	2 839	1 587	857
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		2 022	1 728	3 227	5 768	7 249	1 974	2 644	5 644	5 644	5 644	5 644	(27 050)	20 135	10 873	5 871
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		371	293	455	487	446	357	394	315	315	315	315	(3 942)	124	67	36
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		70	26	26	64	83	60	85	49	49	49	49	(561)	49	26	14
Interest earned - external investments		12	102	80	58	5	39	83	24	24	24	24	(91)	385	208	112
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		155	172	305	23	134	253	283	416	416	416	416	(1 700)	1 289	666	376
Licences and permits		186	189	223	233	171	219	202	225	225	225	225	(1 753)	569	307	166
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational		41 861	2 101	-	-	32 494	-	302	81	81	81	81	(75 895)	561	303	164
Other revenue		32 039	2 411	213	128	131	39	-	-	-	-	-	(9 880)	25 897	13 984	7 552
<b>Cash Receipts by Source</b>		<b>79 533</b>	<b>11 921</b>	<b>6 766</b>	<b>17 258</b>	<b>44 510</b>	<b>3 965</b>	<b>5 488</b>	<b>7 047</b>	<b>7 047</b>	<b>7 047</b>	<b>7 047</b>	<b>(145 682)</b>	<b>51 948</b>	<b>28 052</b>	<b>15 148</b>
<b>Other Cash Flows by Source</b>																
Transfers receipts - capital		16 500	-	2 000	-	7 650	1 000	-	-	6 150	-	-	(13 500)	20 000	10 800	5 832
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/financing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>96 033</b>	<b>11 921</b>	<b>8 766</b>	<b>17 258</b>	<b>52 560</b>	<b>4 965</b>	<b>5 488</b>	<b>7 047</b>	<b>13 197</b>	<b>7 047</b>	<b>7 047</b>	<b>(159 182)</b>	<b>71 948</b>	<b>38 852</b>	<b>20 980</b>
<b>Cash Payments by Type</b>																
Employee related costs		6 903	6 679	6 436	6 466	7 095	6 269	6 522	8 701	8 701	8 701	8 701	8 701	73 125	39 488	21 323
Remuneration of councillors		925	916	556	952	887	694	853	1 491	1 491	1 491	1 491	(10 291)	1 456	766	425
Collection costs		-	5	14	-	15	7	7	23	23	23	23	(91)	56	30	16
Interest paid		0	19	12	-	-	-	-	-	-	-	-	(19)	12	6	3
Bulk purchases - Electricity		3 656	7 103	3 070	3 895	16 058	4 676	3 115	3 380	3 380	3 380	3 380	(30 082)	25 000	13 500	7 280
Bulk purchases - Water & Sewer		-	-	-	-	16	4	-	5	5	5	5	(85)	100	54	29
Other materials		29	-	15	12	-	-	90	3 500	3 500	3 500	3 500	(4 267)	21 000	11 340	6 124
Contracted services		1 487	1 342	1 966	1 784	1 157	2 416	1 117	-	-	-	-	-	-	-	-
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses		609	2 191	1 091	3 231	6 367	2 849	1 460	8 709	8 709	8 709	8 709	(15 844)	28 789	15 546	8 395
<b>Cash Payments by Type</b>		<b>13 609</b>	<b>18 255</b>	<b>13 158</b>	<b>16 339</b>	<b>31 595</b>	<b>16 915</b>	<b>13 163</b>	<b>23 808</b>	<b>23 808</b>	<b>23 808</b>	<b>23 808</b>	<b>(68 127)</b>	<b>146 538</b>	<b>80 751</b>	<b>43 605</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>		<b>13 609</b>	<b>18 255</b>	<b>13 158</b>	<b>16 339</b>	<b>31 595</b>	<b>16 915</b>	<b>13 163</b>	<b>23 808</b>	<b>23 808</b>	<b>23 808</b>	<b>23 808</b>	<b>(68 127)</b>	<b>146 538</b>	<b>80 751</b>	<b>43 605</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>82 425</b>	<b>(6 333)</b>	<b>(4 393)</b>	<b>919</b>	<b>20 765</b>	<b>(11 930)</b>	<b>(7 675)</b>	<b>(16 761)</b>	<b>(10 611)</b>	<b>(16 761)</b>	<b>(16 761)</b>	<b>(90 455)</b>	<b>(77 590)</b>	<b>(41 899)</b>	<b>(22 825)</b>
Cash/cash equivalents at the month/year beginning:		9 317	91 742	85 407	81 015	81 934	102 689	90 749	83 074	66 313	55 703	38 942	22 182	9 317	(68 273)	(110 172)
Cash/cash equivalents at the month/year end:		91 742	85 407	81 015	81 934	102 699	90 749	83 074	66 313	55 703	38 942	22 182	(68 273)	(68 273)	(110 172)	(132 977)

KZN266 Ulundi - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) - 26/02/2015

Description - Municipal Vote	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>Multi-year expenditure appropriation</b>	<b>1</b>															
Vote 1 - GOVERNMENT & ADMINISTRATION																
Vote 2 - Community & Public Safety		2,397	3,144	766	671	1,134	1,040	760	760	760	760	760	2	12,954	-	-
Vote 3 - Economic & Environmental Services			7,670	1,732	631	804	1,357	168	1,092	1,092	1,092	1,092	316	17,046	-	-
Vote 4 - Trading Services		1,074	1,582				170	1,256	183	183	183	183	187	5,000	-	-
Vote 5 - [NAME OF VOTE 5]																
Vote 6 - [NAME OF VOTE 6]																
Vote 7 - [NAME OF VOTE 7]																
Vote 8 - [NAME OF VOTE 8]																
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Capital Multi-year expenditure sub-total</b>	<b>3</b>	<b>3,470</b>	<b>12,396</b>	<b>2,498</b>	<b>1,303</b>	<b>1,938</b>	<b>2,566</b>	<b>2,184</b>	<b>2,035</b>	<b>2,035</b>	<b>2,035</b>	<b>2,035</b>	<b>505</b>	<b>35,000</b>	<b>-</b>	<b>-</b>
<b>Single-year expenditure appropriation</b>																
Vote 1 - GOVERNMENT & ADMINISTRATION																
Vote 2 - Community & Public Safety																
Vote 3 - Economic & Environmental Services																
Vote 4 - Trading Services																
Vote 5 - [NAME OF VOTE 5]																
Vote 6 - [NAME OF VOTE 6]																
Vote 7 - [NAME OF VOTE 7]																
Vote 8 - [NAME OF VOTE 8]																
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Capital single-year expenditure sub-total</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure</b>	<b>2</b>	<b>3,470</b>	<b>12,396</b>	<b>2,498</b>	<b>1,303</b>	<b>1,938</b>	<b>2,566</b>	<b>2,184</b>	<b>2,035</b>	<b>2,035</b>	<b>2,035</b>	<b>2,035</b>	<b>505</b>	<b>35,000</b>	<b>-</b>	<b>-</b>

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to budget table A5 and monthly budget statement table C5

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Medium Term Revenue and Expenditure Framework			
Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
Adjusted Budget	Adjusted Budget	Adjusted Budget	
-	-	-	
-	-	-	
-	-	-	
-	-	-	
12,954	-	-	
11,954	-	-	
-	-	-	
1,000	-	-	
-	-	-	
-	-	-	
17,046	30,216	31,432	
-	-	-	
17,046	30,216	31,432	
-	-	-	
5,000	10,000	10,000	
5,000	10,000	10,000	
-	-	-	
-	-	-	
-	-	-	
-	-	-	
-	-	-	
35,000	40,216	41,433	

[illegible]

R thousands														
Description														
Capital expenditure on renewal of existing assets by Asset Class/Sub-class														
18														
Total Capital Expenditure on renewal of existing assets to be adjusted														
Other (not sub-class)														
Computers - software & programming														
Intangibles														
List sub-class														
Biological assets														
List sub-class														
Agricultural assets														
Other														
Surplus Assets - (Investment or Inventory)														
Other Land														
Other Buildings														
Civic Land and Buildings														
Markets														
Abattoirs														
Furniture and other office equipment														
Computers - hardware/equipment														
Plant & equipment														
Specialised vehicles														
General vehicles														
Other assets														
Other														
Housing development														
Investment properties														
Other														
Buildings														
Heritage assets														
Other														
Social rental housing														
Cemeteries														
Museums & Art Galleries														
Clinics														
Buses														
Security and policing														
Fire, safety & emergency														
Recreational facilities														
Libraries														
Community halls														
Swimming pools														
Sports fields & stadia														
Parks & gardens														
Community														
Other														
Gas														
Transportation														
Refuse														
Infrastructure - Other														
Sewerage purification														
Refuse														
Infrastructure - Sanitation														
Refuse														
Water purification														
Dams & Reservoirs														
Infrastructure - Water														
Street Lighting														
Transmission & Refuse														
Generation														
Infrastructure - Electricity														
Storm water														
Roads, Pavements & Bridges														
Infrastructure - Road transport														
Infrastructure														
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41,432,000

check balance -25,912.789

18. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'plant and equipment'. Detail to be entered below

17. Statues, art collections, medals etc.

16 Not municipal contributions to the top structure 'being built using the housing subsidies

15 Buses used to provide a service to the community

14 Adjusted Budget  $H = (A \text{ or } A1/2 \text{ etc}) + G$

13.  $G = B + C + D + E + F$

12. Adjusts = 'Other' adjustments proposed to be approved; including revenue under-collection (MFA section 26(2)(e)), additional revenue appropriation on existing programmes (section 26(2)(b)), projected savings (section 26(2)(d)), error correction (section 29 MFA)

11. Adjustments to funding allocations from National or Provincial Government

10. Adjustments approved in accordance with section 29 MFA

9. Increases of funds approved under section 31 MFA

8. Additional cash-backed accumulated funds/unspent funds (section 16(1)(b) and section 26(2)(e) MFA) identified after Original Budget approved and after annual financial statements audited (note: only

7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget

6. Donated/contributed & leased assets to be included within the respective sub-class

R thousands		Repairs and maintenance expenditure by Asset Class/Sub-class													Total Repairs and Maintenance Expenditure to be adjusted			
Description	Ref	Budget Year 2014/15													18	1		
		A	7	8	9	10	11	12	13	14	H	Adjusted Budget	Adjusted Budget	Adjusted Budget				
Infrastructure - Road transport		8,952	-	-	-	-	-	-	-	-	1,898	(310)	1,480	10,750	-	-		
Infrastructure - Road transport		1,790	-	-	-	-	-	-	-	-	(310)	1,480	1,480	-	-	-		
Roads, Pavements & Bridges		1,790	-	-	-	-	-	-	-	-	(310)	1,480	1,480	-	-	-		
Storm water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Infrastructure - Electricity		7,062	-	-	-	-	-	-	-	-	2,208	9,270	9,270	-	-	-		
Generation		7,062	-	-	-	-	-	-	-	-	2,208	9,270	9,270	-	-	-		
Transmission & Distribution		7,062	-	-	-	-	-	-	-	-	2,208	9,270	9,270	-	-	-		
Street Lighting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Dams & Reservoirs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Water purification		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Reti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Reti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Sewerage purification		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Refuse		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Transportation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Gas		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Community	3	414	-	-	-	-	-	-	-	-	(80)	334	-	-	-	-		
Parks & gardens		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Sports fields & stadia		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Swimming pools		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Community halls		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Libraries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Recreational facilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Fire, safety & emergency		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Security and policing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Buses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Clinics		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Museums & Art Galleries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Canteenes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Social rental housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Heritage assets		334	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Buildings		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Housing development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
General vehicles		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Specialised vehicles		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Plant & equipment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Furniture and other office equipment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Buildings		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Agricultural assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
List sub-class		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Biological assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
List sub-class		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Intangible		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Computers - software & programming		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other (list sub-class)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Repairs and Maintenance Expenditure to be adjusted																		

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SB1

3. For example, Car Parks, Bus Terminals and Taxi Ranks

4. Work-in-progress/under construction to be budgeted under the respective item

5. Infrastructure includes land and buildings required by that infrastructure and equipment used by the service generated by that infrastructure

6. Donated/contributed & leased assets to be included within the respective sub-class	
7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.	
8. Additional cash-backed accumulated funds/unspent funds (section 16(1)(b) and section 28(2)(e) MFMAs) identified after Original Budget approved and after annual financial statements audited (note: only increases of funds approved under section 31 MFMA)	
9. Adjustments approved in accordance with section 29 MFMA	
10. Adjustments to funding allocations from National or Provincial Government	
11. Adjustments proposed to be approved; including revenue under-collection (MFMA section 29(2)(a)); additional revenue appropriation on existing programmes (section 29(2)(b); projected savings (section 28(2)(d)); error correction (section 28(2)(e))	
12. Adjustments = Other	
13. $G = B + C + D + E + F$	
14. Adjusted Budget $H = (A \text{ or } A/2 \text{ etc}) + G$	
15. Buses used to provide a service to the community	
16. Net municipal contributions to the top structure being built using the housing subsidies	
17. Statues, art collections, medals etc.	
18. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as "Plant and equipment". Detail to be entered below	
check balance	-25,344,134
	-41,432,000

KZN266 Ulundi - Supporting Table SB18d Adjustments Budget - depreciation by asset class - 26/02/2015

R thousands	Description	Ref	Budget Year 2014/15										Budget Year +1 Budget Year +2		
			2015/16										2016/17		
			Original Budget	A1	7	8	9	10	11	12	13	14	Adjusted Budget	Adjusted Budget	Adjusted Budget
Infrastructure	Infrastructure - Road transport	2	62,051										52,051		
	Infrastructure - Road transport		34,246										34,246		
	Roads, Pavements & Bridges		34,244										34,244		
	Storm water		2										2		
	Infrastructure - Electricity		27,781										27,781		
	Generation														
	Transmission & Retriculation		27,781										27,781		
	Street Lighting														
	Infrastructure - Water		24										24		
	Dams & Reservoirs														
Community	Water purification	3	24										24		
	Retriculation														
	Infrastructure - Sanitation														
	Retriculation		24										24		
	Sewerage purification														
	Infrastructure - Other														
	Refuse														
	Transportation														
	Gas														
	Other														
Heritage assets	Parks & gardens	2	256										256		
	Sports fields & stadia														
	Swimming pools														
	Community halls														
	Libraries														
	Recreational facilities														
	Fire, safety & emergency														
	Security and policing														
	Busas														
	Clinics														
Investment properties	Museums & Art Galleries	2	256										256		
	Cemeteries														
	Social rental housing														
	Other														
	Buildings														
	Other														
	Housing development														
	Other		258										258		
	Investment properties														
	Other														
Agricultural assets	General vehicles	18	1,922										1,922		
	Specialised vehicles														
	Plant & equipment		987										987		
	Computers - hardware/equipment		412										412		
	Furniture and other office equipment		523										523		
	Abattoirs														
	Markets														
	Civic Land and Buildings														
	Other Buildings														
	Other Land														
Biological assets	Supplis Assets - (Investment or inventory)	1													
	Other														
	Other Land														
	Other Buildings														
	Civic Land and Buildings														
	Markets														
	Abattoirs														
	Other														
	Supplis Assets - (Investment or inventory)														
	Other														
Intangible	General vehicles	1	64,487										64,487		
	Specialised vehicles														
	Plant & equipment														
	Computers - hardware/equipment														
	Furniture and other office equipment														
	Abattoirs														
	Markets														
	Civic Land and Buildings														
	Other Buildings														
	Other Land														
Specialised vehicles	Supplis Assets - (Investment or inventory)	18													
	Other														
	Other Land														
	Other Buildings														
	Civic Land and Buildings														
	Markets														
	Abattoirs														
	Other														
	Supplis Assets - (Investment or inventory)														
	Other														
Maintenance	General vehicles	18													
	Specialised vehicles														
	Plant & equipment														
	Computers - hardware/equipment														
	Furniture and other office equipment														
	Abattoirs														
	Markets														
	Civic Land and Buildings														
	Other Buildings														
	Other Land														

1 Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SB1

2 Airports, Car Parks, Bus Terminals and Taxi Ranks

3 For example - technology backbones (e.g. fibre optic, WiFi infrastructure) for economic development purposes

4 Work-in-progress/under construction to be budgeted under the respective item

5 Infrastructure includes land and buildings required by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure

6. Donated/contributed & leased assets to be included within the respective sub-class		
7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget		
8. Additional cash backed accumulated funds/unspent funds (section 15(1)(b) and section 29(2)(e) MFMA) identified after Original Budget approved and after annual financial statements audited (note: only increases of funds approved under section 31 MFMA)		
9. Adjustments approved in accordance with section 29 MFMA		
10. Adjustments to funding allocations from National or Provincial Government		
11. Adjustments proposed to be approved; including revenue under-collection (MFMA section 29(2)(a)); additional revenue appropriation on existing programmes (section 29(2)(b)); projected savings (section 29(2)(c)); error correction (section 29(2)(d));		
12. Adjusts: = Other Adjustments from National or Provincial Government		
13. $G = B + C + D + E + F$		
14. Adjusted Budget $H = (A \text{ or } A/12 \text{ etc}) + G$		
15. Buses used to provide a service to the community		
16. Not municipal contributions to the top structure being built using the housing subsidies		
17. Statues, art collections, medals etc.		
18. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'. Detail to be entered below		
check balance	29 877,000	-41,432,000

KZN266 Uthuli - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 26/02/2015

Municipal Vote/Capital project	Program/Project description	IDP Goal Code	Individually Approved Yes/No	Asset Class	Asset Sub-Class	GPS co-ordinates	Medium Term Revenue and Expenditure Framework					
							Budget Year +1 2015/16		Budget Year +2 2016/17			
							Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
R thousand		3	6	4	4	5						
Parent municipality:												
Ulund municipality (KZN 266)	Babango community hall		Yes	Community	Community halls			10,500				
Ulund municipality (KZN 266)	Zondela roads		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges			6,546				
Ulund municipality (KZN 266)	Impungantsho sportsfield		Yes	Community	Sportsfields & stadia			5,724				
Ulund municipality (KZN 266)	Ceza sportsfield		Yes	Community	Sportsfields & stadia			6,230				
Ulund municipality (KZN 266)	Unit D roads rehabilitation		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges							
Ulund municipality (KZN 266)	INEP		Yes	Infrastructure - Electricity	Reliculation			5,000				
Ulund municipality (KZN 266)	Fire Station Establishment		Yes	Community	Fire, safety & emergency			1,000				
Entities:												
List all capital programs/projects grouped by Municipal Entity												
Entity Name												
Project Name												

References

1. List all projects where approved budgets have been adjusted
2. Refer MFMA s30
3. As per Budget Table A6
4. Asset category and sub-category must be selected from Budget Table SA34
5. Corred to seconds. Provide a logical starting point on networked infrastructure
6. Distingiish projects approved in terms of MFMA section 19(1)(b) and MRRR Regulation 13

Description	R thousands	Budget Year 2014/15											Budget Year +1 2015/16		Budget Year +2 2016/17	
		Ref	A Original Budget	A1 Prior Adjusted	B Accum. Funds	C Multi-year capital	D Unavoid.	E Nat. or Prov. Govt	F Other Adjusts.	G Total Adjusts.	H Adjusted Budget	I Adjusted Budget	J Adjusted Budget	K Adjusted Budget	L Adjusted Budget	M Adjusted Budget
Revenue By Municipal Entity	Entity 1 total revenue Entity 2 total revenue Entity 3 (etc) total revenue															
Total Operating Revenue		1														
Expenditure By Municipal Entity	Entity 1 total operating expenditure Entity 2 total operating expenditure Entity 3 etc. total operating expenditure															
Total Operating Expenditure		2														
Capital Expenditure By Municipal Entity	Entity 1 total capital expenditure Entity 2 total capital expenditure Entity 3 etc. total capital expenditure															
Total Capital Expenditure		2														

References

1. Must reconcile to the sum of all municipal entity monthly revenue reports
2. Must reconcile to the sum of all municipal entity monthly expenditure reports
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Additional cash-backed accumulated funds/unspent funds identified after Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably be have foreseen)
5. Increases of funds approved under section 87 MFMMA
6. Adjustments approved in accordance with section 87 MFMMA
7. Adjustments made under delegation by the A/O since the budget was approved or since a previously approved Adjustments Budget in the same financial year
8. Adjustments to funding allocations by National or Provincial Government
9. Adjusts. = 'Other' Adjustments approved by entity Board; including revenue under-collection; additional revenue appropriation on existing programmes; projected savings; error correction
10.  $H = B + C + D + E + F + G$
11. Adjusted Budget (I) = (A or A1/2 etc.) + H

## **5. ADJUSTMENTS TO BUDGET ASSUMPTIONS**

### **5.1 Given the constraints on the revenue side, the Council took very tough decisions on the expenditure side. Priority was given to:**

- Protecting the poor from the worst impacts of the economic downturn;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of the asset base (especially the Council's revenue generating assets) by increasing spending on repairs and maintenance; and



- Expediting spending on capital projects that are funded by conditional grants.

## **5.2 In preparing the adjustments budget, the following priorities were taken into account:**

- Deliver more and better services in a caring and efficient manner;

- Hold political office bearers and public servants accountable;

- Shift resources to new priorities;

- Move from debate to effective implementation and decisive action; and

- Work in partnership with communities, labour and businesses to achieve our shared objectives.

## **5.3 The following budget assumptions have a major influence on the budget adjustment:**

- It will take some time for the economic upturn to flow through to increase municipal revenues and better cash flows.

- The revenue stream of this municipality may be under pressure for the next three to four quarters of 2015.

- Also the high cost of moving waste to the regional dump site.

**6. ADJUSTMENTS TO BUDGET FUNDING**

6.1 Below follows an explanations as to how the adjustment budget is funded:

-Interest earned	R500 000.00
-Rental facilities	R651 000.00
-Service charges	R83 487 000.00
-Fines, licences and permits	R5 951 787.74

- Transfers recognised R107 030 000.00
- Other direct revenue R2 300 000.00

**TOTAL R199 919 787.74**

**The adjusted capital expenditure is funded as follows:**

DESCRIPTION	AMOUNT
Municipal Infrastructure Grant	R 29 000 000.00
Electrification of households	R5 000 000.00
Disaster Management Grant	R1 000 000.00

There are no cash-backed reserves at this stage in order to fund the capital projects.

The future fiscal sustainability of the council is not very positive. The following are contributing factors for this situation:

- The continued dependency on grant funding from the national government
- The continued inability of customers to settle outstanding accounts.

**7. ADJUSTMENTS TO ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE**

Increase in grant revenue and expenditure due to Disaster Management Grant that was received in the month of December from Provincial Treasury.

**8. ADJUSTMENTS TO COUNCILLOR ALLOWANCES AND EMPLOYEES BENEFITS**

Increase during the year in contributions to medical aids, Pay as You Earn, Pension Fund and the creation of a new senior positions had resulted in an increase in the salary budget.

## **9. ADJUSTMENT TO CAPITAL EXPENDITURE**

It should be noted that due to financial constraints that the municipality is currently facing it is highly impossible to incur capital expenditure as we do not have reserves that are cash backed. Therefore, Council took a decision to postpone capital expenditure that should be funded internally up until the financial situation improves.

## **10. LEGISLATION COMPLIANCE STATUS**

The 2014/2015 budget adjustment for Ulundi Municipality has been prepared in terms of the Municipal Budget Reporting Regulations and is hereby tabled for Council's approval.

Our municipality has been able to comply with the Municipal Finance Management act requirements through the following:

#### **10.1 Annual Report**

The annual report has been compiled in terms of MFMA and National Treasury requirements.

#### **10.2 Internship Programme**

This municipality has been able to have the required number of interns (5) and four have completed their competency requirements as they have finished their training with an accredited service provider. The fifth one will be undergoing the training soon as he had been appointed with this month.

#### **10.3 Service Delivery and Budget Implementation Plan (SDBIP)**

An adjusted SDBIP has been prepared and is attached as one of the items in this document.

#### **10.4 In-year reporting**

Section 71 reports to the mayor on a monthly basis has improved and also submitted to national and provincial treasury on time.

#### **10.5 Annual financial statements**

Our AFS were submitted on time to Auditor General as they were sent on the 30 August 2013 for audit purposes.

#### **10.6 Section 72 reports**

Also the mid-year budget and performance assessment report was tabled before council on the 24 January 2013 and submitted to National and Provincial treasury on time.

#### **10.7 Budget and Treasury Office**

The budget and Treasury Office has been established in accordance with the MFMA.

#### **10.8 Audit Committee and Municipal Public Accounts Committee**

An Audit Committee and the Municipal Public Accounts Committee has been established and is fully functional.



# 11. ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DESCRIPTION	ORIGINAL BUDGET	REVISED BUDGET	DIFFERENCE
<b>TECHNICAL SERVICES</b>			
Electrification Project	R5 000 000.00	R5 000 000.00	R0.00
Roads Maintenance	R 797 269.00	R 707 269.00	-R 90 000.00
Transport	R2 000 000.00	R3 785 673.27	+R1 785 673.27
Printing & Stationery	R 4 235.00	R 8 033.51	+R 3 798.51
Professional fees	R 400 000.00	R 200 000.00	-R 200.000.00
Street lights	R 800 000.00	R 300 000.00	-R 500 000.00
Small tools	R 10 000.00	R 14 800.00	+R 4 800.00
<b>COMMUNITY SERVICES</b>			
Burial Assistance	R1 000 000	R10 050 000	+R 50 000.00
Accommodation	R 40 000.00	R 35 000.00	-R 5000.00

Conference Fees	R 40 000.00	R 35 000.00	-R 5000.00
Hire of Equipment	R 60 000.00	R 50 000.00	-R 10 000.00
Printing & Stationery	R 28 000.00	R 71 928.45	+R 43 928.45
Fertilizer & Compost	R 100 000.00	R 50 000.00	-R 50 000.00
Equipment	R 790 000.00	R 30 000.00	-R 760 000.00
Building	R 100 000.00	R 10 000.00	-R 90 000.00
Library Material	R 262 000.00	R 291 437.51	+R 29 437.51

## PROTECTION SERVICES

Animal Pound	R800 000.00	R1 244 191.53	+R444 191.53
Uniforms Protecting Clothing	R550 000.00	R 200 000.00	-R 300 000.00
Accommodation	R100 000.00	R 150 000.00	+R 50 000.00
Private Security	R7 000 000.00	R6 000 000.00	-R1 000 000.00
Printing & Stationery	R 125 000.00	R 157 717.90	+R 32 717.90

Ammunition	R 200 000.00	R 100 000.00	-R 100 000.00
Administration Charge	R 150 000.00	R 50 000.00	-R 100 000.00
Chemicals & Gasses	R 65 00.00	R 1 000.00	-R 64 000.00
Small Tools	R 9 000.00	R 1 000.00	-R 8 000.00
Stores & Material	R 15 000.00	R 1 000.00	-R 14 000.00
Hire of Equipment	R 20 000.00	R 10 000.00	-R 10 000.00
Equipment	R 80 000.00	R 40 000.00	-R 40 000.00

#### FINANCIAL SERVICES

Licence fees	R 20 000.00	R0.00	-R 20 000.00
Software & Licences	R2 588 000.00	R3 188 000.00	+R 600 000.00
Audit fees external	R1 800 000.00	R2 100 000.00	+R 300 000.00
Bank charges	R 150 000.00	R 160 000.00	+R 10 000.00
Hire of equipment	R 30 000.00	R 113 312.69	+R83 312.69
Delivery consumer accounts	R 30 000.00	R 61 787.54	+R 31 787.54
Professional fees	R 800 000.00	R 600 000.00	-R 200 000.00
MPRA	R1 000 000.00	R 469 189.73	-R 530 810.27

Equipment	R0.00	R 150 000.00	+R 150 000.00
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**CORPORATE SERVICES**

Accommodation	R 92 650.00	R 67 350.00	+R 25 230.00
Internal Programmes	R 100 000.00	R 107 568.23	+R 7 568.23
Medical examination fees	R 5 000.00	R 6 952.49	+R 1 952.49
Printing & Stationery	R 108 612.64	R 153 612.64	+R 45 000.00
Conference fees	R 1 053.00	R 6 316.16	+R 5 263.16
Telephones	R1 053 000.00	R1 153 000.00	+R 100 000.00

**GENERAL COUNCIL**

Conference fees	R 14 000.00	R 1 000.00	-R 13 000.00
Delivery Consumer accounts	R 27 000.00	R 0.00	-R 27 000.00
Hire of equipment	R 168 711.16	R 381 247.07	+R 212 535.91

Legal	R3 000 000.00	R1 000 000.00	-R2 000 000.00
Membership fees	R1 000 000.00	R1 020 000.00	+R 20 000.00
Printing & Stationery	R 34 716.00	R 115 546.19	+R 80 830.19
Out of pocket expenses	R 100 000.00	R 0.00	-R 100 000.00
Buildings	R 15 000.00	R 49 000.00	+R 34 000.00
Conference fees	R 5 265.00	R 9 530.00	+R 4 265.00
Mayoral functions	R1 368 900.00	R 1 868 900.00	+R 500 000.00

#### MUNICIPAL MANAGER

Audit & Performance Committee fees	R 200 000.00	R 100 000.00	-R 100 000.00
Accommodation	R 14 362.00	R 90 892.68	+R 76 530.68
Entertainment	R 10 000.00	R 11 000.00	+R 1 000.00

**12. PROVINCIAL TREASURY COMMENTS ON MID-YEAR BUDGET & PERFORMANCE ASSESSMENT**



treasury

Department  
Treasury  
PROVINCE OF KWAZULU-NATAL

145 Chief Albert Luthuli Road  
Pietermaritzburg 3201  
Private Bag X9082  
Pietermaritzburg 3200  
Tel: 033 897 4200 - Fax: 033 342 4662

## KWAZULU-NATAL PROVINCIAL TREASURY MUNICIPAL FINANCE

Our Ref: 11/6/13/1(KZN266)-2015  
Enquiries: Mr. M. Ndumo  
Date: 18 February 2015

THE MUNICIPAL MANAGER  
ULUNDI MUNICIPALITY  
PRIVATE BAG X17  
ULUNDI  
3838

Fax: 035 870 1105

Attention: Princess S. A. Buthelezi

### 2014/15 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT AND IMPACT ON THE 2014/15 ADJUSTMENTS BUDGET

1. Reference is made to your Mid-Year Budget and Performance Assessment Report for the 2014/15 financial year that was submitted to Provincial Treasury in accordance with Section 72(1)(a) and (b) of the Municipal Finance Management Act (MFMA), which states that *the accounting officer of a municipality must by 25 January of each year assess the performance of the municipality during the first half of the financial year and submit a report of such an assessment to the mayor of the municipality; National Treasury and the relevant Provincial Treasury. Section 72(3)(a) and (b) of the MFMA also state that the Accounting Officer must as part of the review make recommendations as to whether an Adjustments budget is necessary and recommend revised projections for revenue and expenditure to the extent that this*

- The figures contained in the main tables on C Schedule and A Schedule reconcile fully, with the exception of Tables C7 and A7.
- A comparison was performed between the signed MFMA Quarterly Section 71 figures and the MFMA Section 72 Mid-year Budget and Performance Assessment Report. It was noted that the figures reported in the Section 72 in-year budget statement do not reconcile with the signed MFMA Quarterly Section 71 figures relating to the same tables, with the exception of Table C6 representing the Financial Position.
- Table SC1 on C Schedule submitted, as well as the Mid-year Budget and Performance Assessment Report did not explain some of the material deviations and remedial or corrective steps on revenue and expenditure projections, for example:
  - *Other expenditure* has a Year-to-date budget of R24.8 million, however the municipality has already spent R34.7 million, which is 40 percent above the targeted Year-to-date expenditure. This major variance was not accounted for under the narrative report compiled by the municipality.
  - Furthermore, necessary remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure is within the budget, were not adequately provided.

#### **Operating Revenue**

- As at 30 December 2014, the municipality reported total operating revenue amounting to R159.2 million, which is above the Mid-year target percentage of 50 percent by 32 percent or R38.2 million. The municipality mentioned a Year-to-date actual of R25.3 million for *Property Rates* in their narrative report, however Section 72 reflects an actual Year-to-date amount of R41.8 million. This discrepancy may be the contributing factor towards the significantly overstated revenue. The municipality must establish which amount is correct.
- The municipality should review or consider revising the budget in terms of MFMA Section 28, for the items discussed below, based on their Section 72 submission:
  - *Property rates*: The municipality has generated R41.8 million or 83 percent above the Year-to-date budget of R22.9 million. The municipality explained that the increase was a result of annual billings processed for December rates and January rates.





## Operating Expenditure

- *Debt impairment* reflects zero expenditure as at the end of December 2014. The municipality is advised to account for non-cash items on a monthly basis and also reflect realistic expenditure that has been incurred on all other line items. The municipality has omitted to reflect *Interest on arrears debtor accounts* on Table SC3, although we are aware that due to the non-collection and significant outstanding debtors balance of R113.6 million, interest should be charged to customers owing the municipality.
- *Finance charges, Bulk purchases, Other materials*, as well as *Other expenditure* have reflected expenditure above the Year-to-date budget by more than 30 percent, namely 671 percent, 32 percent, 2705 percent and 40 percent respectively. These expenditure items should be reviewed by the municipality to ensure that the expenditure reported is correct, or adjust their budgets in terms of Section 28(2)(d) of the MFMA to avoid unauthorised expenditure.
- Under spending has been noted in *Depreciation and asset impairment* where expenditure reported amounted to R13.8 million, which is below the Year-to-date budget by 61 percent. Although the municipality did explain during engagement that they had begun the *Depreciation* reconciliation and entries on the system a few months after the beginning of the financial year, the municipality is advised to review the expenditure and revise the budget accordingly.
- At the end of December 2014, Ulundi Municipality recorded expenditure incurred to the amount of R2 million against the *Loss on disposal of Property, Plant and Equipment (PPE)*, however, this line item does not have a budget allocation.

## Capital Expenditure

- At Mid-year, the municipality has incurred capital expenditure amounting to R26.3 million against a Year-to-date budget of R17 million, resulting in expenditure incurred of 55 percent above the Year-to-date budget. The performance is satisfactory, as it is in line with the expenditure patterns noted on Conditional grants relating to capital. The municipality has accelerated on expenditure against their respective allocations, however, they are advised to monitor the expenditure closely to guard against unauthorised and over expenditure.

## Performance on Conditional Grants

- The municipality's total expenditure to date against conditional grants is 20 percent. Therefore the municipality should be reminded that poor performance against Conditional grant allocations may result in surrendering unspent portions to National Treasury. This may also affect future allocations.

### Cash flow

- Various inconsistencies and errors were noted in the municipality's 2014/15 Approved budget, as well as the cash flow management and debt collection challenges the municipality was facing, therefore, Provincial Treasury's assessment concluded that Uthuli Municipality's budget was unfunded.
- Over and above, there were discrepancies noted between the main Cash flow Table C7 and the supporting Table SC9, as the closing cash balance reflected in Table C7 is R224.5 million and in supporting Table SC9 is R55.5 million, which is a significant difference. The figures should be identical.
- Based on the 2013/14 audited Annual Financial Statements (AFS), the calculated cash coverage ratio is 0 months. This is an indication that the municipality did not have sufficient funds available to cover anticipated fixed monthly expenses for even one month. As per MFMA Circular No.71, the norm is between one to three months. Furthermore, using the Section 72 submission, the cash coverage ratio as at the end of December 2014 is -4 months which is a great concern as it reflects that the municipality is in a critical condition financially, where the liquidity of the municipality is being strained.
- As a result of the municipality not submitting supporting documentation, a thorough assessment of the cash flow management and financial affairs could not be performed by Provincial Treasury without sources such as Investment register, Grant register, Bank reconciliation.
- As per Regulation 22 of the MBRR, the municipality must note that the Adjustments Budget must be funded and must not place the municipality under undue financial strain. In order for Provincial Treasury to support the Adjustments Budget, the municipality must ensure that:
  - The Adjustments Budget is accompanied by an explanation of how the budget is funded;

- It is noted that the majority of the Debtors appear to be in the *181 days – 1 Year* category at R87.2 million or 71.6 percent, which is a red flag as the municipality cannot afford not to recover outstanding debt. The municipality is advised to initiate new strategies on enforcing their Credit control and Debt collection policies, encouraging implementation of those new strategies to improve debt collection, thereby improving its cash flow position. The municipality must ensure that they cater for adequate *Debt impairment* provision in their budget.

#### Creditors

- Creditors reflected under the *0-30 days* category, appear to have a negative balance of R4.7 million which is abnormal. The municipality should review this figure or correct it accordingly, if it was erroneously captured.
- 98 percent of the Creditors balance is under the *181 days – 1 Year* category, which is an amount of R52.2 million. Provincial Treasury is aware that this amount may be attributable to the crisis the municipality has been facing for the past couple of years, whereby they were unable to pay their Eskom debt or invoices on time for the electricity function. There has been a vast improvement over the past couple of months where the Repayment agreement and plan were established and implemented. The onus is on Ulundi Municipality to ensure that they adhere to the agreement that has been signed between themselves and Eskom, in order to avoid further penalties.

- A high level of Creditors' balance is an indication that the municipality is not complying with Section 65(e) of the MFMA, which states *that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.*

5. Furthermore the municipality should ensure that the following, together with matters raised above are considered in the preparation of the 2014/15 Adjustments Budget:

- The municipality should adhere to the requirements of MFMA Circular No. 51, paragraph (4.6) when preparing their Adjustments Budget.
- Errors and omissions in the 2014/15 Approved Budget, which were communicated in a feedback

6. The municipality is required to table Provincial Treasury's comments on the 2014/15 Mid-Year Budget and Performance Assessment Report in Council when tabling the 2014/15 Adjustments Budget. Furthermore, the municipality should forward Provincial Treasury a copy of the Council resolution as well as remedial action on how the errors and concerns raised were addressed.
7. In addition, the municipality should ensure that it places the 2014/15 Mid-Year Budget and Performance Assessment Report to the municipality's website within 5 days after the tabling of the report as required by Section 75(2) of MFMA.
8. You are also kindly reminded to ensure that the electronic and hard copies of the 2014/15 Adjustments Budget and related documents, completed in the required format, are submitted to National and Provincial Treasuries within 10 working days after they have been tabled to Council by the Mayor as required by Regulations 21 and 24 of MBRR.

Yours faithfully

  
\_\_\_\_\_  
Mr F. Cassimjee

General Manager: Municipal Finance

cc. Mayor

Chief Financial Officer

The was an increase in collection in the previous financial year adge analysis its was R121 m to date the the adge analysis is sitting at R113 M.

**13. MUNICIPAL MANAGER'S ADJUSTMENT BUDGET QUALITY CERTIFICATE**

**UMASIPALA  
WASOLUNDI**

Private Bag X17  
Ulundi  
3838



**" The City of Heritage "**  
**ULUNDI  
MUNICIPALITY**

Tel: 035 - 8745100  
Fax: 035 - 8745174  
E-mail: [tmagwaza@ulundi.gov.za](mailto:tmagwaza@ulundi.gov.za)

I N.G. Zulu, Municipal Manager of Ulundi Municipal, hereby certify that

- ☐ the monthly budget statement
- ☐ Quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☒ the budget adjustment of Ulundi for 2014/2015 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: N.G. Zulu

Municipal Manager of Ulundi Municipality (KZN266)

Signature: